

# **Readings**

**Compilation on  
tourism policy,  
principles and guidelines  
for sustainability**

## **Kerala: Exploring Future Frontiers in Tourism Development**

**Department of Tourism, Kerala  
EQUATIONS, Bangalore**

**July 2000**

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## Introduction

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In the course of changing perceptions and expansion of scope of present development, it is imperative that there are processes by which such emerging trends could be absorbed into practice. The essential presence of multiple stakeholders and partakers, the existence of various influences that bypass national boundaries, etc are characteristics of development underline the need for amalgamation of these diversities. The question of development is also related to many issues like sustainability and equitable sharing of its profits, and also seeks to address areas such as unequal power relations both between and within nations.

Tourism is an emissary, of both the nature and complexity of development, and the related issues. The presence of multiple stakeholders both public and private, issues related to the ownership and governance, mark the tourism debate as such a representative. These debates are intertwined among state machinery, hotel industry, tour operators, local community and local administrative bodies who are main players those have stake that are different in tourism development. Tourism, thus becomes important, not only for its complexities that afford an understanding into larger issues and needs of development, but also as a development option in itself. Existentially, and inherently, tourism lends itself to any discussion on development, that is sought to be made meaningful.

The need for attempts to embrace the complexities is felt not only at the national level, but also at international fora, which seek to address issues of development and sustainability. The Commission for Sustainable Development, attempts on drawing a Code of Ethics by the WTO are examples of endeavors which strive at understanding the possibility of arriving at a multi stakeholder approach in Tourism.

The selection of readings compiled in this volume represent a variety of initiatives, both local and global in this respect. Tourism policies of the national and state governments present itself as important indicators towards the past and the present of tourism in the state. Articles that look into the development of Kerala and documents of international bodies, which talk about new initiatives in the field of development and tourism form the background, are also found.

We hope that the materials collected will initiate thought on the tourism development of the state and would help putting into perspective the workshop: *Kerala: Exploring Future Frontiers in Tourism*.



# Draft National Tourism Policy

## September 1998

(Government of India, Ministry of Tourism, (1998), Draft National Tourism Policy, September 1998)

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### 1. PREAMBLE

Travel has been an integral part of social phenomenon of the modern society entailing demand on various facilities, and services including transport, accommodation, restaurants, entertainment facilities, shopping outlets and sites of tourist attractions and here by activating a process of accelerated economic production and distribution. The enterprises/establishments engaged in such wide ranging diverse activities to meet the tourist demand constitute the tourism industry, which needs to be recognised and developed by providing the required policy support and it is proposed to be achieved through this document.

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### 2. THE MISSION

The solemn mission of the government is to promote tourism as a means to ensure a more meaningful and wider understanding of India and its people amongst all sections of the societies both within the country and abroad and to achieve sustained economic development and positive social change through development of tourism while preserving and protecting the environment and heritage.

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### 3. GROWTH AND STRUCTURE OF TOURISM

#### 3.1 Tourism Resources

India's tourism resources are immense. Its historic and cultural mosaic is unique. The monuments, sculptures and paintings of India bear testimony to the national ethos for harmony and diversities to be reflected in a composite whole. The geographical features of India are both colourful and varied.

The lofty Himalayas inspire human spirit to divine heights and offer opportunities for a whole range of adventure sports. Some of the beaches in India are the best in the world with an irresistible combination of sun, sand and sea. The wealth of ecosystems consisting of biosphere reserves, coral reefs, deserts, mountains and forests along with the flora and fauna provide enormous potential for eco tourism.

Above all, India is a country of numerous fairs and festivals as well as art and handicrafts which represent the mystical life styles of Indian society. These attractions of India hold virtually an unlimited potential for tourism development.

#### 3.2 Tourism since Independence

Though India had a good amount of tourism activity when it became independent 50 years ago, tourism as a subject did not figure in the constitution of India except that some of its components were mentioned in the Central or State lists. There was also no allocation for tourism development during first Five Year Plan.



Equations



Tourism became a constituent of planning process during Second Five Year Plan (1956-61) with a token allocation of Rs 3.36 crore for both Central and State sectors put together. The developmental approach during the Second Plan was mainly on creating isolated facilities in important tourist centres.

The Third Plan witnessed the beginning of an era for the development of activities connected with tourism, particularly adventure tourism by the establishment of 'Winter Sports Complex' at Gulmarg in Jammu and Kashmir. The India Tourism Development Corporation (ITDC) was also set up in 1966 to develop tourism infrastructure and promote India as a tourist destination.

The approach during the Fourth and Fifth Plans was expansion and improvement of tourist facilities with a view to promote 'destination traffic' as distinct from 'transit traffic.' Integrated development of selected tourist centres like Kovalam, Gulmarg, Goa, Kulu-Manali etc. received much attention and became the symbolic models of resort tourism in India.

The Sixth Plan (1980-85) was a major landmark in the history of Indian tourism. The first even 'Tourism Policy' of the country was announced during 1982 which specified the development objectives and provided an action plan based on a travel circuit concept to maximise the benefits of tourism.

The development of tourism was stated as a plan objective during the Seventh Plan (1985-90) and the sector was accorded the status of an industry. It thus became a watershed plan for Indian tourism. The National Committee on Tourism set up by the Government in 1986 to evaluate the economic and social relevance of tourism in India and to draw up a long term plan for its development submitted its report in 1988 and recommended a number of measures for ensuring accelerated growth of tourism. The basis of these recommendations a package of incentives were made available for tourism industries and the Tourism Finance Corporation (TFCI) was set up to finance tourism projects.

The development plan for tourism during Eighth Plan (1992-97) was based on the 'National Action Plan for Tourism' presented in the Parliament on May 5, 1992. It proposed to achieve diversification of tourism product, accelerated growth of tourism infrastructure, effective marketing and promotional efforts in the overseas markets and removal of all impediments to tourism. A major component of the Action Plan was the development of all inclusive 'Special Tourism Areas' and intensive development of selected circuits. The Action Plan did not specify the infrastructural requirements and the investments needed to meet the targets and the sources of funding for the same. The "Tourism Synergy Programme" enlisting the activities and infrastructural components to be provided by various agencies including the private sector and State Governments was thus prepared in 1993. It was further modified and converted into a 'National Strategy for the Development of Tourism' during 1996.

These documents were aimed at achieving a greater realisation of the importance of tourism, a consensus on the developmental needs, positive contribution of all the infrastructural Departments on a coordinated manner, higher plan allocation and introduction of new schemes for accelerated development of tourism.

### 3.3 Domestic Tourism

Travel for pilgrimage and learning has been an integral part of Indian culture ever since the beginning of its civilization. Several centres of learning and religious worship developed all over the country since ancient times. This gave their impetus to the mass movement of people from one place to another. Development of traditional industries and trade created the stream of business travellers. Several trading routes were established and traders started frequenting the centres of trade from distant places.

The ancient rulers gave due recognition to these travellers and created many wayside facilities like inns, sarais, dharamshalas and caravans for their benefit. These formed the tourism infrastructure of India in those days. Thus India has been experiencing massive movement of domestic tourists for several centuries.

A few centuries ago the Moghul rulers built luxurious palaces and enchanting gardens in places of natural scenic attraction. During the period of British rule in India, domestic tourism received a new direction and meaning due to the establishment of the railway and export import houses at port towns introducing qualitative and quantitative changes in the Indian business Tourism. In addition, the construction of circuit houses, dak bungalows and forest lodges provided the infrastructure for leisure and wide life tourism. Several hill stations were also developed during the period which became the core of Indian leisure tourism. The emergence of a large 'urban middle class' coupled with better transport and communication facilities have created a new class of holiday and leisure tourist in contemporary India. The National Action Plan for Tourism 1992 thus gave considerable emphasis on the development of domestic tourism including pilgrim tourism. Thus domestic tourism has become the mainstay of Indian tourism and it is likely to grow substantially during the coming years. The economic, social and cultural advantages of domestic tourism are:

1. Domestic movement of people for non-migratory purposes constitutes shifts in consumer markets of variable importance and are catalysts of the national economy.
2. It has extremely high social, cultural, educational and political value and true economic value, although still embryonic in some cases.
3. It generates large scale employment opportunities particularly in rural areas and restrains the exodus of people to large towns.
4. The new jobs created to meet the needs of domestic tourists have a relatively low unit cost per job and it helps increase the number of jobs.
5. Production methods for services demanded by domestic tourists generally remain simple and based on local materials.
6. It also requires only simple installations and infrastructure in transport, accommodation and catering which would take into account local cultural, political and historic traditions.
7. It has the ability to sustain and maintain the tourism industry during lean periods of international tourism by providing an alternative for demand substitution.
8. It contributes to an improved balancing of national economy through redistribution of national income and thus provides a better environment for the growth of both domestic and inbound tourism.
9. It is the single unifying force which helps to achieve understanding between various linguistic, religious and communal groups living in different parts of the country. It thus contributes towards strengthening the fabric of national unity and cultural integration.

### 3.4 Inbound Tourism

Tourism is the world's largest export industry. In India also the foreign exchange earning from tourism is the third largest (second largest in terms of net earnings) after ready made garments and gem and



jewellery. Tourism receipts have been growing at a phenomenal rate in recent years and it has become the single largest component of the services export. The projections available indicate that tourism would become the largest export industry in India too as it has, already attained the top position in the world context.

The other benefits of inbound tourism are:

1. The projection of national image abroad, reduction of ideological gaps and enhancement of international understanding are generally better achieved, through inbound tourism.
2. Inbound tourism generates larger employment opportunities per tourist and leads to more income to local community.
3. International tourists visiting interiors of the country for reasons of purity of environment and nature contributes to the development of such areas particularly in backward regions.
4. Inbound tourism has significant linkages with the art and artifacts of the country including handicrafts and thus contributes to the improvement of living conditions of village artisans.
5. Expansion of inbound tourism also leads to the provision of better infrastructural facilities in specific areas and thus stimulates diversification and development of other industries.

Though India achieved substantial growth in international tourist arrivals since 1951, the share of India in the world tourist traffic still remains to be less than 0.4 per cent. It is, however, encouraging to note that the average duration of stay of inbound tourists in India is one of the highest in the world.

Considering the dimensions of the country and the multitude of attractions it possesses, the potential of India in attracting international tourists is yet to be realised. The perceived constraints in the expansion of tourism are inadequate infrastructure including poor accessibility and non-availability of trained manpower in sufficient number.

### 3.5 Out Bound Tourism

A large number of Indians go abroad every year for various purposes including business, study, pilgrimage, pleasure etc. the process of economic liberalisation and growing affluence of people are likely to accelerate the outbound tourist traffic from India considerably. Though this aspect of tourism has not been the concern of the department of Tourism so far, it has become necessary to recognise the phenomenon and evaluate its social and economic consequences. The volume of inbound traffic is also often linked to outbound tourism as international carriers have to depend on both for their operations.

## **4. OBJECTIVES**

In furtherance of the MISSION, the national objectives of tourism development are delineated as that:

1. It becomes a unifying force nationally and internationally fostering better understanding between people through travel.
2. It gives direction and opportunity to the people of the country through inbound, outbound and domestic tourism to understand the, geographical and cultural diversity of nations and regions as well as the aspirations and viewpoints of others so as to bring about a greater national integration and cohesion.
3. It offers opportunities to the youth of the country not only for employment but also for taking up activities of nation building character like sports, adventure and the like.

4. It brings socioeconomic benefits to the community and the State in terms of faster economic growth, larger employment opportunities, better income generation and foreign exchange earning, balanced development of backward areas and weaker sections, higher tax revenue to the State and causes sustainable human development.
5. It becomes a positive force for the preservation and enrichment of our cultural heritage in all its manifestations and causes accretion and strength rather than damage to our social and cultural values.
6. It becomes a reason for better preservation and protection of our natural resources, environment and ecology and heritage.
7. It becomes a major avenue for the people of India and other countries to see, feel and admire its magnificent attractions and achievements including natural beauty, geographical and cultural diversities, heritage of arts and crafts and industrial and scientific progress.
8. Above all, tourism should be able to project the quintessence of our culture so as to give our people a sense of unity and identity, a broadening of their intellectual, emotional and cultural horizon and a sense of belonging and pride and for the international traveller, tourism should create a better understanding of our land, people and culture.

## **5. THE POLICY FRAMEWORK**

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The national policies with regard to tourism for achieving the objectives enumerated in this statement have to be consistent with the existing global scenario as well as national priorities and ethos. The policy also needs to take care of all possible conflicts and ensure sustained growth of tourism on desired lines. Taking into account these considerations, the following policy guidelines have been formulated.

### *5.1 Recognition*

The economic and social benefits of tourism and its importance as an instrument of economic growth have to be fully recognised by all sections of the society. There is still a belief that the potential of the tourism would be determined by the income levels of inhabitants and is basically a leisure industry not, requiring the attention of planners and administrators.

This belief based on information gap has systematically constrained the development of tourism in the country over the years. It would, therefore, be the endeavor of the government to bridge this information gap through proper statistical documentation of the impact of tourism and its wide publicity to create awareness so that the economic and social significance of tourism is well recognised and tourism is given due attention and national priority.

### *5.2 The Product*

Persons travelling to other places invariably seek a pleasant and delectable experience on their trips. The most desired tourism product thus consists of:

- ❖ An environment of peace and stability
- ❖ An assurance of safety and security
- ❖ A friendly host society
- ❖ An industry and a Government that provide the requisite facilities promptly and efficiently.



- ❖ Absence of extortion and hostility
- ❖ Accessible tourist attractions
- ❖ An integrated system of physical infrastructure that does not fail

These include:

- International air seat capacity.
- Internal transport system
- Hotels and restaurants of quality
- Entertainment and recreational avenues
- Shopping and communication facilities
- Well-preserved monuments with tourist amenities
- Basic amenities like drinking water, toilets, refreshment centres etc. at the tourist sites

The national policy, therefore, will work towards creating such a tourism product to the maximum extent possible.

### 5.3 The Responsibility: A Multidimensional Activity

Tourism consists of several goods and services consumed by the tourists at their places of visit. These are provided by a multitude of establishments and agencies functioning at various levels. Tourists also have to come in contact with various government agencies and a number of infrastructural facilities are being provided by them.

The development of tourism, therefore, can not be the responsibility of any single agency. It is also not possible to have any artificial demarcation of responsibilities between the Central and State governments as most of the delivery systems are primarily within the control of state/UT governments. The focus of national policy, therefore, will be to develop tourism as a common endeavor of all the agencies vitally concerned with it at the Central and State levels, public sector undertakings and the private sector.

### 5.4 Co-ordination and Synergy

The infrastructure for tourism consists of not only the on-site facilities like hotels, restaurants, entertainment facilities, etc; but also includes all forms of transport and communications infrastructure and basic amenities. The provisions of an integrated system of physical infrastructure including air, rail, road and water transport facilities, communication systems and basic amenities like electricity, water supply, drainage and solid waste disposal systems is a prerequisite for the development of tourism in any area identified for the same.

All the departments/agencies involved in infrastructure development have to, therefore, adopt a joint approach and establish synergy in the development of infrastructure for tourism. Steps will be taken to ensure the necessary linkages and synergies in the policies and programmes of all such departments/agencies by establishing effective co-ordination mechanisms at Central, state and district levels.

### 5.5 The Approach and Public Participation

The tourism policy of 1982 envisaged a selective approach based on travel circuit concept in the provision of tourism infrastructure to achieve intensive development of selected centres. The National

Action Plan for Tourism 1992 also reiterated the need for such a policy to achieve significant impact on infrastructural development with the limited resources available. These policies, however, did not succeed in view of persistent demands for several small projects to meet the needs of domestic tourist in almost every place of tourist interest. Even the government of India essentially followed a scheme approach instead of area approach in providing financial assistance for the development of tourism infrastructure. The approach for the future development of tourism has to, therefore, take into account both the needs for selective development and the demands of a wide cross section of domestic tourists. It will be the policy of government to encourage people's participation in tourism development including Panchayati Raj institutions, local bodies, co-operatives, non-governmental organisations and enterprising local youth to create public awareness and to achieve a wider spread of tourist facilities. However, focused attention will be given for the integrated development of identified centres with well directed public participation.

### 5.6 The Choice

International tourist traffic to the country is largely confined to certain selected centres and destinations at present. There is also a fair level of seasonality in tourist arrivals. As a result there is a good deal of congestion and scarcity of facilities in some of these centres during peak seasons. The tourist traffic to some of the centres have even exceeded the carrying capacity with the attendant problems of environmental degradation.

It has, therefore, become necessary to go beyond the beaten tracks and to facilitate direct visit of tourists to new destinations. However, the choice of such new destinations for development will have to be based on their intrinsic attractions, potential for development and the carrying capacity as well as availability of resources. Steps will be taken to identify such destinations and work towards their integrated development with the involvement of all the infrastructural departments, state governments and the private sector and to facilitate direct and easy access to those places from international destinations.

### 5.7 Forms of Tourism

The, main strength of Indian tourism at present is it's cultural attractions, particularly the large number of monuments and archaeological remains scattered through out the country, its art and artifacts and colourful fairs and festivals. The country is also endowed with a number of other tourist attractions and options including beach tourism; forests, wild life and landscapes for eco-tourism; river and mountain peaks for adventure tourism; technological parks and science museums for science tourism; centres of pilgrimage for spiritual tourism; heritage trains and hotels for heritage tourism; etc. The tradition of Indian system of medicine and its curative and preventive effects are well known the world over. Yoga, Ayurveda and other forms of natural health resorts have thus become unique tourist attractions of the country. There are also facilities for conference and convention tourism and shopping tours.

It will be the aim of the Tourist Policy to diversify the tourism products in such a way that it supplements the main stream of cultural tourism. It would also be ensured that the appropriate form of tourism based on specific features of attraction and ecological considerations is developed in each identified area. The development of natural health resorts of Yoga, Ayurveda etc along with spiritual tourism will be given adequate attention.



### 5.8 Levels of Development

The principle of sustainable development stipulates that the level of development does not exceed the carrying capacity of the area. It will be the government's policy to ensure adherence to such limits through appropriate planning instruments, guidelines and enabling regulations.

### 5.9 Public and Private Sector Partnership

A constructive and mutually beneficial partnership between the public and the private sectors through all feasible means is an absolute necessity for the sustained growth of tourism. It is; therefore, the policy of the government to develop such a partnership based on mutual trust and appreciation of the compulsions of each other.

### 5.10 Role of the Government

Tourism is a multi-sectoral activity and the industry is affected by many other sectors of the national economy. The state has to therefore, ensure inter-governmental linkages and co-ordination. It also has to play a pivotal role in tourism management and promotion. In particular, the government has to:

Provide public infrastructural facilities including local planning and zoning arrangements.

- Plan tourism development as a part of the overall area development strategy.
- Create nucleus infrastructure in the initial stages of development to demonstrate the potential of the area.
- Provide support facilities and facilitation services to private enterprises along with appropriate incentives and land policies, particularly with reference to land owned by government agencies including the railways.
- Introduce regulatory measures to ensure social, cultural and environmental sustainability.
- Ensure that the type and scale of tourism development is compatible with the environment and socio-cultural milieu of the area.
- Ensure that the local community is fully involved and the benefits of tourism accrue to them.
- Facilitate availability of trained manpower particularly from amongst the local population jointly with the industry.
- Undertake research, prepare master plans, and facilitate formulation of marketing strategies.
- Organise overseas promotion and marketing jointly with the industry. A. Initiate specific measures to ensure safety and security of tourists and efficient facilitation services.
- Facilitate the growth of a dynamic tourism sector.

### 5.11 Role of Private Sector

Tourism has emerged as the largest export industry globally and all over the globe, the private sector has played a lead role in this growth. The private sector has to consider investment in tourism from a long term perspective and create the required facilities including accommodation, restaurants, entertainment facilities, shopping complexes etc, in areas identified for tourism development. In general, the private sector has to:

- ✦ Build and manage the required tourist facilities in all the places of tourist interest.
- ✦ Assume collective responsibility for laying down industry standards, ethics and fair practices.
- ✦ Ensure preservation and protection of tourist attractions and give a lead in green practices.

- + Involve the local community in tourism projects and ensure that the benefits of tourism accrue to them in right measure.
- + Undertake industry training and manpower development to achieve excellence in quality of services.
- + Participate in the preparation of investment guidelines and marketing strategies and assist in database creation and research.
- + Facilitate safety and security of tourists.
- + Endeavor to promote tourism on a sustained and long-term perspective.

### 5.12 Facilitation Services

Tourists have to pass through several government agencies so as to meet the requirements under various laws. These include obtaining visas, undergoing immigration checks, obtaining permits to visit certain areas, payment of fees for certain facilities etc. The endeavour of the government would be to improve efficiency in providing such facilitation services and make travel a pleasant experience.

### 5.13 Foreign Investments and Incentives

In view of large investment requirements in the tourism sector and the need for maintaining high quality standards in services, hotels and tourism related industries will continue to be in the priority list of industries for foreign investment.

Further, in order to offset the specific constraints of tourism industry and to put in place the required infrastructure as quickly as possible, particularly in less developed areas, appropriate incentive schemes would be considered. It would also be the endeavour of the government to put in place uniform taxation and land policies related to tourism sector in all the states and Union Territories.

### 5.14 Resources for Development

Development of tourism to the extent desired would involve heavy investments in infrastructure. The resources for such investments have to come mostly from private investors, financial institutions and external borrowing. Financial viability and commercial returns are the guiding factors in such investments. Very often, it would depend on investments to bridge certain critical gaps in infrastructure which by itself may not be commercially remunerative. Special funds have to be, therefore, created for such investments. It would thus be the policy of the government to facilitate larger flow of funds to tourism infrastructure and to create a Tourism Development Fund to bridge critical infrastructure gaps.

### 5.15 Regions of Special Interest

The seven states of the northeast with beautiful landscapes, lush green forests, exotic wildlife, unique forms of art and culture and affable tribal societies have hitherto poor infrastructure. These states, along with other states in the Himalayan region like Sikkim, offer enormous potential for the development of ecotourism. Similarly, the islands of Andaman and Nicobar as well as Lakshadweep are ideal for sustainable development of island tourism. It is also important to revive and strengthen tourism industry in Jammu and Kashmir to accelerate the economic growth of the state. The government would therefore, initiate and support special programmes and schemes for the development of tourism in these regions with a view to achieve overall economic development of the region, and as part of the overall strategy of removing regional imbalances.



### 5.16 Conversation and Development

Tourism development needs to be properly guided and regulated to avoid adverse impact on the natural environment and cultural heritage which constitute the tourism attraction. Despoilation of natural environment, archaeological monuments, beaches, mountains and places of natural beauty; disruption in the ecosystem of environmentally sensitive regions; destruction of traditions in the culturally sensitive areas; clandestine selling of antiques and vandalism are some of the possible adverse effects of unimaginative and unregulated development of tourism. A judicious balance, therefore, needs to be maintained between conservation and development. The government will continue its policy of trying to maintain balance through planning restrictions and by educating the people in appreciating their rich heritage and by eliciting their co-operation in preserving and protecting it.

### 5.17 Adoption of New Technologies

There have been revolutionary changes in the computer and communication technologies and other relevant sectors which are still changing. Such technologies have helped sharing of information globally to the advantage of all. Efforts will be made to adopt these technological advances in the tourism sector to provide better facilities to tourists and to market the tourism product, to the benefit of all concerned.

### 5.18 Strive towards Excellence

Tourism being a service industry, it is necessary to enhance its service efficiency. The policy, therefore, will be to strive towards excellence by introducing professionalism through training and retaining of human resources and providing memorable visitor experience to both domestic and international tourists.

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## **6. THE ACTION PLAN**

The broad action plan for the implementation of the policies and to achieve the objectives would consist of the following broad activity streams.

- Strengthening of institutional setup and organisational structure.
- Creation of awareness about economic and social benefits of tourism and ensuring public participation in its development.
- Providing the requisite constitutional recognition and the regulatory mechanisms to ensure its sustained growth.
- Ensuring accelerated infrastructure and product development.
- Pursuing sustained human resource development to achieve professionalism and excellence in services.
- Ensuring synergy and cost effectiveness in tourism promotion and marketing.
- Strengthening international co-operation through multilateral and bilateral agreements.
- Guiding the development process through market research and technological innovations.

The details of specific activities proposed to be taken up under each of the activity streams are listed in the following paragraphs.

### 6.1 Institutional set up and Organisational Structure

- The Department of tourism will be re-organised and strengthened on a more functional basis and with adequate administrative and financial autonomy to enable it to perform its multifarious activities professionally and efficiently.
- The Board of Tourism Industry and Trade will be restructured to make it an effective forum for co-ordination with other departments, state governments and the industry.
- A Paryatan Bhawan will be set up in Delhi to house the Department of Tourism and the information offices of the state/union territory governments.

### 6.2 Creation of Awareness and Public Participation

- Creating public awareness about economic and social benefits of tourism amongst administrators, planners and the masses through seminars, workshops, presentations etc.
- Launching of campaigns through local bodies, non governmental organisations, youth centres etc, to create awareness about the traditions of Indian hospitality and the importance of providing an assurance of safety and security to tourists so as to control touting, extortion and harassment to tourists.
- Organising quiz programmes, youth packages and other events to spread the message of tourism.
- Encouraging Panchayati Raj Institutions, Local bodies, religious trusts co-operatives, and other community level institutions to take up tourism promotion activities through the general rural development and employment generation programmes and specific rural tourism development schemes.
- Launching entrepreneurship development and self-employment programmes to involve the educated youth in providing various tourist facilities and services and thereby creating employment opportunities.

### 6.3 Constitutional Recognition and Regulatory Mechanism

- Attempting to provide the requisite constitutional recognition to tourism by including it in the concurrent list of the constitution.
- Providing a legal framework through appropriate legislation for ensuring social, cultural and environmental sustainability of tourism development and protecting the tourists.
- Evolving specific policies and guidelines for the development of specific forms of tourism like ecotourism, adventure tourism, etc.
- Providing an institutional mechanism to deal with the complaints received from tourists and the industry so as to create a better security perception amongst actual and potential visitors.

### 6.4 Infrastructure and Product Development

- Providing the requisite priority and enhancing the plan allocation for the development of tourism infrastructure and product improvement.
- Giving guidance and financial assistance to state/union territory governments for preparing tourism master plans, identifying tourism resources, prioritising development circuits and projects and specifying the most suitable forms of tourism.
- Continuing to provide financial assistance to the state/ union territory governments for infrastructure and product development.
- Ensuring co-ordination with other infrastructural departments through appropriate institutional mechanisms to achieve synergy in tourism infrastructure development.



- Implementing integrated/ intensive development of tourist destinations (for example: Agra, Ajmer, Ajanta, Ellora, Sunderbans, etc.) after assessing the carrying capacity, local aspirations and the benefits likely accrue to the community.
- Setting up a 'tourism development fund' to bridge critical infrastructural gaps.
- Encouraging the private sector to create infrastructural facilities by creating an enabling environment including appropriate incentives.
- Improving accessibility and promoting direct arrivals to the destinations of interest.
- Providing the required assistance and facilitation services to both domestic and foreign investors for setting up tourism projects. Efforts would also be made to set up single window clearance mechanisms and to ensure uniform taxation and land policies in each of the state/union territories.
- Providing signage at important tourist centres for the guidance of tourists.
- Improving the efficiency of tourist facilitation services by coordinating with all the concerned agencies, adopting technological solutions and imparting training to functionaries at the cutting edge level like customs and immigration officials, taxi drivers and porters, guides etc.
- Focusing on the development of ecotourism in the northeast and other Himalayan states along with Andaman and Nicobar and Lakshadweep Islands and reestablishment of tourism industry in Jammu and Kashmir.
- Developing the places of pilgrimage by providing the requisite infrastructural facilities with a view to promote domestic and international pilgrim tourism.
- Improving tourist facilities at Buddhist monuments to promote cultural tourism.
- Developing the special tourism areas on an integrated and phased manner to promote holiday tourism.
- Diversifying the tourism product to make India a unique multi-attraction tourism destination which can meet the needs of all forms of tourism particularly rural tourism, ecotourism, adventure tourism, incentive tourism, conference and convention tourism, etc.
- Developing natural health resorts of yoga, ayurveda, etc as unique tourism products of India.
- Setting up 'Paryatan Bhawan' at Delhi as one stop tourist reception centre to cater to various needs of travellers, foreign as well as domestic, and offer air and train reservations, money changing counters and information about all tourist centres.

### 6.5 Human Resource Development

- Strengthening the institutional set-up for human resource development and improving the standards of training in private institutes through accreditation and quality control. It will include the setting up of an advanced institute of hotel management and a culinary institute apart from strengthening the existing training infrastructure.
- Setting up a National Tourism Documentation Centre equipped with modern technology systems to function as a repository of research findings and publications on tourism.
- Involving the tourism industry in human resource development activities and encouraging them to set-up independent training facilities.
- Streamlining and strengthening of guide training and training of other grass root level workers.

### 6.6 Tourism Promotion and Marketing

- Achieving effective co-ordination and synergy with other departments, agencies and the private sector in tourism promotion and marketing
- Identifying potential tourism markets and segments and adopting focussed marketing strategies based on research, to make promotional and marketing efforts cost effective.

- Enhancing the image of India as a fascinating multi-attraction and destination with rich cultural heritage and a vibrant society.
- Observing 1999-2000 as visit India year.
- Organising 'India Tourism Week' and a 'Travel Expo' every year to make it the biggest travel show in the south Asia region.
- Developing a Millennium Mahayatra Package and youth packages.
- Organising a Golden Age Quiz contest, multi-location cultural programmes and distribution of national flags in villages during Indian independence celebrations.
- Organising Buddha Mahotsav with international seminars and exhibitions at Sarnath/Bodhgaya.
- Organising photo exhibitions and creation of a photo library.
- Launching of a multimedia CD-ROM on Indian tourism.

### 6.7 International Co-operation

- Strengthening international co-operation in tourism promotion and investment through multilateral and bilateral agreements.
- Ensuring active participation in the activities of international agencies, industry associations, etc on matters relating to tourism development.

### 6.8 Market Research and Technology Absorption

- Strengthening the statistical machinery, reporting systems, research and database on tourism to measure the economic and social benefits of tourism, identify potential tourist destinations for integrated development, formulate marketing strategies and monitor the progress of implementation and impact of various Programmes and projects.
- Achieving Progressive computerisation and adoption of information technology, in providing information, marketing and management.

## 7 SHORT TERM PLAN

- The Short Term Plan consists of the activities in the Action Plan which are proposed to be implemented within a period of about one year. These are:
  - Restructuring of the 'Board of Tourism Industry and Trade'.
  - Starting the construction of Bharat Paryatan Bhawan.
  - Launching a campaign for creating awareness about socio-economic importance of tourism
  - Launching a campaign to clean-up the environment of Taj Mahal.
  - Setting up a 'Tourism Development Fund' to bridge critical infrastructural gaps.
  - Co-ordinating with the Ministry of Urban Affairs to make available land for hotels by the land owning agencies.
  - Continue to pursue provision of appropriate incentives and tax benefits for investment in tourism infrastructure.
  - Improving signage at tourist centres and providing internationally recognised signage at important tourist places.
  - Improving airport facilitation services, to start with, in one or two metro city international airports.
  - Encouraging tourism in the northeast by promoting packages.
  - Developing important places of pilgrimage.
  - Improving tourist facilities at Buddhist monuments.

- Observing 1999-2000 as 'Visit India Year' which will include among others, the Khajuraho Millennium
- Developing a millennium Mahayatra package and youth packages.
- Organising a golden age quiz context, multi-location cultural programmes and distribution of national flags in villages during golden jubilee year of India's independence
- Organising Buddha Mahotsav with international seminars and exhibitions at Sarnath/Bodhgaya.
- Organising photo exhibition and creation of a photo library.
- Launch a multimedia CD-ROM on Indian tourism.

## 8 COROLLARY

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Tourism is the world's largest export industry accounting for about eight per cent of the total world export and more than 30 per cent of international trade in services. Indian tourism is the second largest foreign exchange earner of the country and during 1997-98 estimated foreign exchange earn from tourism is Rs 11,032 crore. It has the highest employment potential compare to other sectors.

Realising the importance of tourism for the integrated and sustainable economic development of the country, the new government has taken following initiatives:

The new government has set up a committee of group of ministers to examine and recommend various steps for the development and promotion of tourism in the country.

For co-ordination and implementation of the recommendations made by the group of ministers, a committee of secretaries is being constituted.

For the, first time, the new government has increased the budget allocation of Ministry of Tourism from Rs 100 crore to Rs 160 crore.

Recognising the importance of tourism, the government accorded the status of full-fledged ministry to the Ministry of Tourism. It will certainly give further impetus to the activities of the Ministry of Tourism.

The formulation of new tourism Policy of the Ministry of Tourism is get another step to accelerate its growth and get maximum benefits from tourism for social change and economic development.

The thrust areas for tourism development are:

- ⇒ Indigenous and natural health tourism
- ⇒ Rural and village tourism
- ⇒ Pilgrim tourism
- ⇒ Adventure tourism
- ⇒ Heritage tourism
- ⇒ Youth and senior citizens packages

After the economic liberalisation in 1991, policies were changed in each and every area but no efforts were made to review the Tourism Policy which was formulated in 1982. The development policies of no sector can remain static and unrelated to the broad national perspectives. In this context, the new government feels that it is an opportune time to formulate a new tourism policy on the comparative advantages, which India has in its diverse tourism products.

## SALIENT FEATURES OF THE POLICY

- ✓ Creating awareness amongst all sections of society about the socio-economic benefits to tourism and about the importance of extending warm and cordial welcome to tourists. It would be the aim to create public awareness about economic and social benefits of tourism amongst administrators, planners and the masses through seminars, workshops, presentations etc. Also, launching of campaigns through local bodies, NGOs, youth centres etc. to create awareness about the traditions of Indian hospitality and the importance of providing an assurance of safety and security to tourists.
- ✓ Providing a national focus for the development of tourism.
- ✓ Diversification of tourism product and its development as a part of overall area development and removal of regional imbalances. The aim of the Tourism Policy would be to diversify the tourism products in such a way that it supplements the main stream of cultural tourism. It would be ensured that the appropriate form of tourism based on specific features of attractions and ecological considerations is developed in each identified area. The development of natural health resorts of Yoga, Ayurveda etc, along with spiritual tourism is the main focus of the Tourism Policy. The various forms of tourism, rural tourism, pilgrim tourism etc, are being promoted.
- ✓ Providing for people participation in the development and distribution of benefits of tourism.
- ✓ The policy of the government would be to encourage people's participation in tourism development, including Panchayati Raj institutions, local bodies, co-operatives, non-governmental organisations and enterprising local youth to create public awareness and to achieve a wider spread of tourist facilities. The attention will be given for the integrated development of identified centres with directed public participation.
- ✓ Creating awareness about promotion of eco-tourism and preservation of national environment and heritage.
- ✓ The government will continue its policy of trying to maintain balance through planning restrictions and by educating people in appreciating their rich heritage and by eliciting their co-operation in preserving and protecting it.
- ✓ Facilitating the development of a dynamic private sector in tourism industry.
- ✓ Since tourism has emerged as the largest export agency globally and all over the globe, the private sector has played the lead role, the private sector has to consider investment in tourism from a long term perspective and create the required facilities including accommodation, restaurants, entertainment facilities, shopping complexes etc, in the areas identified for tourism development.
- ✓ Co-ordinating the efforts of different government departments and agencies in making India a tourism friendly country, and in providing the required infrastructure.
- ✓ The Group of Ministers on Tourism Industry and Trade has been constituted for have in formal consultations in regard to substantial improvements in infrastructural facilities and to ensure synergy in development efforts.

- ✓ Ensuring easy international access to India, enhancing carrying capacity and improving the quality of services.
- ✓ The Ministry would concentrate on improving accessibility and promoting direct arrivals to the destinations of interest and also to improve upon the existing facilities.
- ✓ Facilitating domestic tourism by promoting amenities and facilities for budget tourists.
- ✓ The Ministry of Tourism has identified a number of Pilgrim centres in 15 states for the development of infrastructure to cater to the needs of domestic tourists. Emphasis is also being laid to provide amenities to the tourists at all important tourist centres all over the country. The financial assistance provided to the state governments for tourism infrastructure basically caters to the needs of budget tourists.
- ✓ Integrated development of identified tourist destinations with the employment of all the infrastructural departments/state government and the private sector.
- ✓ Development of tourism in the Northeast, the Himalayan region, Jammu & Kashmir and Islands of Andaman & Nicobar and Lakshadweep, as part of over all strategy of economic development to the region.
- ✓ The government would initiate and support special programmes and schemes for the development of the region, and as part of the over strategy of removing regional imbalances.

#### **Objectives of new tourism policies are:**

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- Tourism as a unifying force for better understanding.
- Tourism as a force to bring greater national integration and cohesion.
- To provide employment opportunities to the youth of the country
- Balanced development of backward and weaker sections of the society and as a tool in terms of faster economic growth.
- Tourism as a force for the preservation and enrichment of India's cultural and heritage which include mountains various art forms, handicrafts, folk dances, traditional fairs, and festivals, cuisine's etc.
- Preservation and potential of natural resources, environment ecology and heritage

# Kerala Tourism Policy 1997

## INTRODUCTION

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Tourism today is an economic activity of immense global importance. Perhaps there is hardly any other field of activity where so many people are involved directly or indirectly. Needless to say, tourism has found a niche for itself as a very effective instrument for generating employment, earning foreign exchange and thereby facilitating overall development.

Economic diversification and technological improvement create a conducive climate for tourism development, which in turn boosts economic growth. In this era of globalisation we can say with confidence that tourism will grow at a very fast pace in the decades to come. South India and South East Asia are gearing up to achieve spectacular progress in this field owing to a number of encouraging factors. India with her vast historical and cultural heritage can definitely be expected to achieve a major growth in the tourism sector with the international tourist arrivals crossing the 5 million mark by the turn of the century. At present only less than 20 lakhs tourists visit India annually. When compared to international tourist traffic, this is a very small share, considering India's geographical diversity and area.

Liberalisation has brought Indian economy much closer to the international economic scene creating the right backdrop for the growth of tourism. It is liberalisation rather than controls that create a proper atmosphere for the growth of tourism. We cannot afford to overlook the capacity of tourism to generate employment. We should also be able to take maximum advantage of the possibilities of tourism aptly described as invisible export to bring in foreign exchange.

It is in a country of diversities like India, each state has its own attractions in abundance to develop tourism. But it is necessary for each state to move forward with clear aims and programmes to help India realise its tourism potential to the fullest. It is in this context that the tourism policy of Kerala has to be viewed and evaluated.

The main aim of the Tourism policy is to serve as a guiding force to make maximum use of Kerala's tourism potential and also to make an ideal installment for social and economic growth. This policy is intended to provide clear vision and direction for programmes to be organised in order to help realise the growth of annual international tourist traffic from 1 lakh to 5 lakh and annual domestic tourism traffic from 10 lakh to 50 lakh in the next five years.

## TOURISM IN KERALA: POSSIBILITIES AND PROBLEMS

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A physical quality of life comparable to developed nations, a population fully literate in so richly green a land, are factors that help transform Kerala into an important tourist state in India. In fact these are the special features that make Kerala endearing to tourists from affluent nations.

Nowhere in India can a tourist experience such geographical diversity within the smallest area possible. Beaches, backwaters, wildlife sanctuaries, evergreen forests and the diverse flora and fauna make Kerala quite distinct from other states of India. The moderate climate and the rich art and culture are also positive factors. A happy co-existence of tradition and modernity, the native colour and character of our Festivals and the uniqueness of the backwaters are the other facets that help foster tourism development.





Although we have such varied factors to facilitate tourism, we have to admit that there are constraints for its overall and many sided growth. The high density of population, consequent non availability of land, lack of professional training and distance from the important cities of India are all critical negative aspects

As far as Kerala is concerned, tourism is a relatively new sphere of activity. Those inhibitors of any development in its initial stages affect tourism development activities also. It is only very recently that tourism has been acclaimed as an important economic activity. Precisely for this reason we find many lop-sided views among some segments of the public. Despite these constraints our achievements so far are by no means negligible.

It has been possible to draw considerable attention to Kerala as a destination due to our efforts in the past few years and also to attract large number of investors and entrepreneurs to the state, especially in the field of tourism. It has also been possible to make our marketing strategy better and more extensive on the national and international fronts. Our participation in international tourism fairs - in spite of financial constraints - has helped create tremendous interest in Kerala as a tourist destination.

New accommodation facilities have been set up in various part of the state during the last decade. It is a matter of pride that substantial amenities like new yāthri nivases, hotels, beach resorts, waterside amenities, forest lodges, luxury cruisers and tourist coaches have been provided with a considerable assistance from the Govt. of India. The activities of KTDC have also become better and extensive during this period. It has to be acknowledged of course, that all the needs of the tourism sector cannot be catered to by the government alone. Constructive co-operation with the private sector is inevitable. Joint ventures by KTDC and its subsidiary unit- Tourist Resorts Kerala, with reputed hotel chains have already been initiated. These joint ventures will help rectify the dearth in high quality hotels and at the same time help attract new hotel groups to Kerala.

In order to encourage small-scale entrepreneurs, Kerala declared tourism as an industry as early as 1986 and announced considerable concessions and incentives. Concessions have also been declared for construction of hotels and preparation of publicity material of international standards by private entrepreneurs. Awards of excellence have also been initiated for tour operations and hotels.

In order that the employment opportunities in this field are fully exploited, it is necessary to have trained and professional manpower. The Kerala Institute of Tourism and Travel Studies (KITTS) was started in 1988 with this aim. There is also the Institute of Hotel Management and Catering Technology (IHMCCT) under the auspices of the Ministry of Tourism, Government of India at Kovalam. These institutions along with similar ones in the private sector supply trained manpower to the Travel and Hotel Industry. In addition to the traditional festivals of Kerala, new boat races, The Great Elephant March, the Nishangadhi dance festival etc. have been specially organised during the tourist season to suit the convenience of the tourists. It must be mentioned here that all these have tremendous promotional value.

It is true that unplanned development of certain destinations and dearth of hotel chains of international standards do pose problems and deficiencies. But now Kerala has been able to overcome these limitations to a great extent.

The development oriented approach seen in publicity and marketing, the development of infrastructure and transportation facilities especially airports, promotion of new destinations and the encouragement

given to the private sector will all go a long way in beginning a new chapter in the growth of tourism.

The planned and integrated development of the Bekal area will certainly create a sea change in the tourism map of Kerala. When a tourist resort of international standards comes into being here, the Calicut- Kasargode belt will get the benefit of a number of projects, big and small.

In order to fully realise Kerala's tourism potential it is necessary that the investment from the Government and Private Sectors are increased, tourism products made better and human resources developed more efficiently.

Our aim now is to ensure an international arrival of five lakh tourists by 2000 AD. To achieve this it is imperative that we have a clear direction and a policy oriented approach. The public sector will be strengthened and more joint ventures will be started. Maximum encouragement will also be given to the private sector. At the same time we have to be on constant vigil against the undesirable side-effects of tourism. The aim of this tourism policy is the creation of a healthy and conducive climate to achieve these objectives.

## **TOURISM POLICY: GENERAL FEATURES AND APPROACH**

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The main aim of the Tourism Policy is to give a clear direction and guidance for the various activities and programmes to be drawn up for the effective and successive development of tourism. The policy should be able to provide various concessions and incentives to entrepreneurs in tourism related activities.

A Tourism Policy drawn up with the above objective will have to concentrate on the development of four major sectors

*(a) Infrastructure (b) Tourism Product*

*(c) Human Resource (d) Marketing*

## **INFRASTRUCTURE DEVELOPMENT**

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For an appropriate development of tourism, there necessarily has to be large scale development in infrastructure which necessitate large scale investment. Investment by the Government as well as the private sector will have to be stepped up.

It is a hassle free and friendly atmosphere that facilitate investment decision. As far as huge investments are concerned, subsidies and insufficient incentives are quite irrelevant. The Government will take steps to create an investment friendly atmosphere and also to generate confidence and faith in NRIs and other investors for investment in the tourism sector.

Tourism Investment Agency will come into being soon. This will act as a bridge between the investors and other institutions in getting land, electricity, communication and other infrastructure facilities. It will also assist in getting and clearing the pre-investment formalities within a specified time frame. In short, this will be a special arrangement to by-pass the traditional red tape.

Usually there is a delay in furnishing all the information needed by investors which leaves many potential investors disappointed. Thus all tourist destinations within the state will be surveyed and action plans prepared. Arrangements will be made to furnish a complete destination information package to every potential investor. This package would contain all details such as the present infrastructure, the extent and price of land owned by the Government as well as by private parties, statistics regarding the present inflow of tourists and investment possibilities. This will help not only speed up investment decision? but also plan the right projects that are environment friendly for a destination.

It should be possible to protect traditional heritage buildings and Tharavadus and use them as accommodation facilities for the tourists in addition to the heritage hotel scheme by the Government. The State Government will set up a *heritage home protection* scheme to provide incentive to people who come forward to convert these traditional homes as accommodation for tourists. This will help preserve the traditional architectural styles and also increase accommodation facilities.

In addition to the tourist circuits recognised by the Government of India, places with tourism potential will be declared as special tourism schemes and special tourism areas. Special incentives and subsidies will be given to entrepreneurs to invest in these areas. This pattern of development will help the balanced growth of tourism. There will be new arrangements to co-ordinate the activities of the various departments in these schemes. Such schemes proposed are Calicut-Kasargode and Quilon-Aleppey waterways.

The destination Kerala programme intended for the wholesome development of destinations by integrating the activities of various departments will be implemented to these centres also. In order to implement this effectively and also to ensure local level participation, local co-ordination committees will be formed. District level officers and special representatives will be members of these committees.

The absence of an integrated activity has adversely affected the healthy growth of international tourist centres like Kovalam. A development agency will be constituted for Kovalam and this will be used as an effective instrument for integrated development. If found effective this will be extended to other major destinations also.

The undulating landscape of Kerala increases the time needed to travel from one destination to another. This is certainly an impediment for covering more places for a tourist who comes to Kerala only for a few days. To overcome this difficulty it has been decided to start a *helicopter service* connecting inaccessible and difficult areas. The government will take the lead in the matter. Private investment will be encouraged and if necessary, the government may go for joint venture also. Luxury coaches are indispensable for tourism industry. Dearth of adequate number of these coaches has been badly felt for quite some time. These tourist luxury coaches are now considered only as contract carriages. The unexpected hike in the tax rates adversely affect the tour operators who sign contracts with their foreign counterparts in advance on the basis of the then prevailing rates. Steps will be taken to bring about necessary changes in the legislation to bring tourist coaches under a separate category.

The Government will take up innovative schemes to promote the backwaters of Kerala as a unique tourism product and also to make use of the maximum tourism potential and assistance will be provided free of cost and a subsidy of 25% will be given to all schemes related to the product in these sectors. These include setting up of house boats, floating cottages, and special boat races. In short a special backwater tourism plan will be drawn up for implementation. Government will go in for foreign collaboration in areas where there is no local expertise and where there is such a need in the field of tourism marketing. Deliberate and conscious efforts will also be taken up to protect investment in tourism. The availability of technical assistance from foreign agencies will be examined and will be utilised wherever necessary.

## TOURISM PRODUCT DEVELOPMENT

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The needs of the tourism industry are specialised. Local expertise should be dovetailed to international tastes for the right product. A concealed, deliberate effort will be made to preserve the individuality of the handicraft traditions and art forms. Financial assistance will be offered to revive and sustain forgotten traditions and dying skills. Attempt to effectively market the products of such skills will also be assisted. Traditional designs if unscientific cannot survive in the market, government will make available new designs to help in these cases. *Specialised training and stipends* will be made available for such craftsmen. Better designing and packaging will help tourism products to a great extent.

The government will take immediate steps to fill in the lacuna in the field of high quality mementos with exclusive Kerala flavour, working in tandem with the National Institute of Design, souvenirs of international standards will be created. A *15 % subsidy* will be made available to such souvenir shops.

Agencies that develop innovative tourism packages highlighting little known historical monuments and architecture will receive help from the government in popularising them.

A self employment scheme has been launched in the tourism sector together with the Kerala Financial Corporation.

This will be expanded to include more tourism schemes. Details regarding feasible projects will be prepared and made available for the investors. A *consortium of financial institutions and banks* will be formed to assist this employment scheme. The government will lay stress on creating employment through the development of tourism.

The *Tourism Registration Act* will be strictly enforced. This Act will serve to inculcate an added sense of responsibility among the trade and an increased feeling of security among the tourists.

Archeological and historical monuments play a major role in enhancing the tourist's experience of our land. The Department of Tourism will preserve and protect monuments that have not yet been taken up by the Archeological Survey of India or by the Archeological Department of the State. It has to be remembered that Archeological preservation and the development of tourism are not mutually exclusive processes.

There is an indivisible bond that links native festivals with tourism development. Traditional festivals will be given an added promotional thrust without interfering with their character in any way. But religious festivals and tourism needs are not necessarily compatible. It is in this context that special tourism fairs and festivals have been organised. Apart from The Great Elephant March, 'Nishagandhi' dance festival, a Heritage Fair- which highlights the ancient culture of Kerala - will be held annually.

Kerala's water carnivals are legendary. The Government will encourage and actively support the organisers of boat races. A festival calendar indicating the dates of the major festivals till the turn of the century will be published in advance.

## HUMAN RESOURCE DEVELOPMENT

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It is interpersonal relations that really form the basis of tourism. Precisely for the same reason, sufficient emphasis has been laid on human resources development while trying to develop the tourism infrastructure and products.

The two key institutions in Kerala, now in the forefront for training personnel for the tourism industry are KITTS (Kerala Institute of Tourism and Travel Studies) and IHMCT (Institute of Hotel Management and Catering Technology), the former under the Government of Kerala, and the latter under the Government of India. In addition to this a large number of institutions have also sprung up in the private sector. While the policy of the Government is to encourage such institutions, there is a genuine concern regarding certain basic standards that are to be maintained. An expert committee will be constituted to evaluate the syllabi and training facilities provided by such institutions. New laws if found necessary will also be introduced for effective control.

The existing personnel of KTDC and the Tourism department will be given professional training over a period of time to step up the quality and the standard of services.

A healthy approach and total involvement of the host population are the indispensable elements of tourism.

Public awareness programmes regarding the economic and social importance of Tourism should be conducted regularly. A long term planning is necessary for this campaign. Tourism will be made a subject of study in schools and colleges.

A training programme for people from various walks of life like cab drivers, customs and immigration officers, policemen, bus conductors etc whom tourists encounter face to face will be organised. These awareness training programmes can rid people of some basic prejudices which often lead to undesirable behavioural patterns.

A special training programme will be organised for the benefit of tourism entrepreneurs. This will help increase the awareness regarding the employment opportunities in this field.

The working ambit of Kerala Institute of Tourism and Travel Studies and its training programme will be expanded. Graduate and Post Graduate courses in tourism will commence soon. Measures to convert KITTS into a national-level tourism resource centre will also be adopted.

Private establishments can also contribute considerably to the field of Human Resources and Development. Such organizations will be recognised and encouraged. Keeping in mind the increasing influx of tourists and the vital importance of trained guides and interpreters, the government will adopt an approach that recognizes privately trained guides and the private training institutions.

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## MARKET DEVELOPMENT

Tourism marketing is a specialised activity requiring long term planning, market research and analysis and a clear sense of direction. The main aims of tourism marketing are to step up tourist arrivals, both domestic and international, and to increase the time and money spent by them within the state, while enabling them to have a close acquaintance with our life and culture. There has also to be a deliberate emphasis on projecting Kerala as a destination for the high quality tourist. We should be able to arrive at a happy compromise between number and quality.

We will follow a marketing strategy aimed at the markets with the highest potential. Western Europe is now the largest market for Kerala. The marketing will therefore be concentrated in Germany, England, France and Italy. At the same time we cannot afford to ignore the economically developed nations of

East Asia, Scandinavian countries, the United States, Canada and the Gulf countries. The historic links that South Africa and Israel have with India will be used for generating outbound traffic from these countries.

Kerala Tourism will make its presence felt in potential areas through participation in major international fairs, advertisements and other publicity materials. We will utilise the tourist offices of the Government of India abroad for promotional purposes to the maximum. At the same time we will also offer hospitality to travel writers and tour operators who concentrate on Kerala.

The new opportunities provided by the electronic media will be used effectively for promotion. Special arrangements will be made to produce and publicise high quality documentaries on Kerala Tourism.

The participation and co-operation of the tour operators and hoteliers who concentrate on Kerala are indispensable for a effective marketing. We will conduct joint promotional ventures with the private sector, also involving airlines that are interested in Kerala.

An effective marketing campaign in the foreign markets will be a very expensive one and can be successfully managed only with the joint participation of the government and the private sector. For this, a *joint promotional agency* will be setup to monitor various agencies. In addition to having the authority for planning joint promotional and marketing ventures, this agency will also create a marketing fund needed for its implementation.

International conferences and seminars have an important role in the promotion of tourism. A few convention complexes-big and small- will be constructed so as to bring in at least a few international conferences annually.

One of the most important duties of the tourism department is the dissemination of relevant information at the right time. While strengthening the existing information centres at Delhi, Bombay, Madras, new centres will be set up at places like Calcutta, Agra, Goa, Jaipur and Shimla.

A joint promotional strategy by the various southern states in the international market will go a long way to promoting South India as an important destination. Kerala will take the lead in this venture. This tourism policy will serve to provide a clear guideline for the growth of the four basic factors for the tourism infrastructure development, product development, human resources development and market development.

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## ACTION PLAN

A comprehensive action plan will be drawn up, enlisting the various activities to be undertaken by different sectors in order to help achieve the target of five lakh domestic tourists by 2000AD. An expert committee will be constituted to help the government in the effective implementation of the action plan. This committee will advise government on the availability of finance from foreign agencies for investment and also on tourism marketing. A state level task force will also be constituted with various representatives from the local tourism trade to help implement the action plan.

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## VARIOUS AGENCIES

Tourism development will be decentralised as much as possible. The administrative set at the local/district levels in the form of district tourism promotion councils will be improved upon.



Equations

The area of activity of the tourism department, Kerala Tourism Development Corporation (KTDC), Kerala Institute of Tourism and Travel Studies (KITTS), District Tourism Promotion Councils (DTPC) will be clearly defined and demarcated.

The nodal agency for tourism development planning, publicity and marketing will be the tourism department. The department will also be responsible for getting financial and technical assistance from the Government of India and other international agencies. In short, the directorate will have the overall responsibility for a whole range of activities like maintaining good liaison with the various private tourism agencies within the state, promoting Kerala in the international market, ensuring that incentives declared by government are publicised and made available to the beneficiaries.

In the initial stages of tourism development, Kerala Tourism Development Corporation was the main instrument for direct government investment. But it has now become necessary to redefine the area of operations and the aims of KTDC in accordance with the healthy investment trends in the private sector. Today, rather than compete, KTDC and its subsidiary TRKL (Tourism Resorts Kerala Limited) will co-operate with the private sector and assist in getting support from the government for strengthening tourism investment. It shall also be the endeavour of KTDC and TRKL to step up the standards in the existing establishments. This can be done by collaborating as partners in joint ventures with reputed hotel chains, by going in for franchising, by training the personnel, upgrading the facilities and other suitable steps.

The District Tourism Promotion Councils have been set up with the district collectors as chairperson for development. These councils will have the freedom to launch developmental schemes, by mobilising funds with local support. But it has to be ensured that these projects are planned and executed to fit into the overall pattern of tourism development. In order to ensure this, the District Tourism Promotion Council will be restructured for more effective functioning, implementing schemes in tune with the overall framework and ensuring local participation. Emphasis will be placed on awareness programmes highlighting the social and economic aspects of tourism. Awards of excellence will be instituted for professionals who have a direct interaction with the tourists. Financial support and other facilities will also be made available for training such personnel.

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## AWARENESS PROGRAMME

Tourism clubs will be organised in colleges to create an awareness of tourism among the youth. The clubs will be instrumental in creating a healthy and positive attitude towards tourism. They will also play important roles in disseminating information regarding employment opportunities in tourism related fields. All these activities will certainly go a long way in building a healthy attitude towards tourism among the public in general and the youth in particular. The Department of Tourism will provide all infrastructural support for the youth to undertake adventurous trips. New scholarships will be instituted for college students and the youth for pursuing tourism related studies.

While spreading the message of social and economic benefits of tourism, the department of tourism will also take steps to educate the public regarding the behavioural pattern approach towards tourists. At the same time, the tourists will also be made conscious of cultural values and social behaviour patterns. This awareness campaign will help inculcate healthy attitudes on the part of the tourists as well as the host population and will result in mutual regard and respect.

Attempts will be made to set right the impression that tourism development only leads to

environmental degradation and social decay.

At the same time areas where vigil is needed will be looked into. On the whole it will be ensured that the lopsided and bigoted thinking of a minority of the population and their unfounded fears regarding the undesirable effects of tourism will not pose obstacles from the social angle for tourism development.

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## SAFETY AND SECURITY OF TOURISTS

The safety and security of tourists is very important and a sensitive factor in nurturing the growth of tourism. Being a peaceful state is an extremely favourable factor for Kerala to help achieve the desired goals in tourism. The government places a high premium on the safety and security of the tourists. The services of the tourism police, now in a few places will be extended to more destinations.

The lifeguard service at Kovalam beach, which has won the appreciation of many a tourist will be extended to other beaches and backwaters where necessary. Intensive training programmes will be organised for the tourism police and lifeguards. Arrangements will be made to enable the tourists to bring complaints to the notice of the State tourism department. Suggestions and complaint boxes will be set up at all hotels. A *Public Relations Cell* will be set up in the department of tourism to handle these complaints and take immediate follow up action. At a later stage such public relations cell will be set up at important tourist destinations also. This public relations cell will be an effective means to ensure that trivial issues do not escalate into major crises by evaluating tourist response on a continuous basis. The government will introduce an *Insurance Scheme for Tourists* visiting Kerala. Under this novel scheme, a tourist, even when relieved of his money, important travel documents and tickets, will be able to undertake his return journey. There is no denying that this scheme will encourage more and more tourists to visit the state with self confidence and an increased feeling of security and safety.

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## AREAS TO BE VIGILANT

Unbridled tourism development without a clear understanding of the undesirable side-effects is certainly not to be encouraged. Appropriate controls and legal protections are indispensable for the healthy development of tourism. All tendencies that destroy our environment and our social and cultural values will be discouraged. Necessary laws and regulations to this effect will be brought into force.

Construction activities in environmental sensitive areas will be regulated according to action plans prepared in advance. It will be ensured that tourism development will not be a threat to wildlife sanctuaries and protected forests. Entrance to protected wildlife sanctuaries will be regulated by permitting tourists in small groups. A pattern of development that is eco-friendly and that will facilitate the protection and preservation of environment and heritage will be adopted. The expertise of the forest and wildlife department and science and technology institutions will be utilised to the maximum extent for tourism development. Tourism will be transformed into an effective vehicle for the protection of archeological buildings and museums. Emphasis will be placed on long preservation of tourist centres rather than on their short term development.

It will be ensured that building construction rules are strictly observed and that they are not relaxed in the name of tourism development. Relaxation of environment rules for tourism projects will not be allowed. The aim of the government will be to insist on the environmental regulations for sustained tourism development. Projects that will be a threat to natural attractions like mangrove forest and other rare flora and fauna will not be taken up for tourism purposes.





The Government will take care to see that no activity that will be a threat to our traditions either directly or indirectly will take place in the name of tourism. Any activity that will injure our self respect and pose a threat to our values and heritage will be discouraged.

The vigil against drug traffic, sexually transmitted diseases and AIDS will be strengthened in the context of tourism development. In short the policy of the government will be to utilise tourism as an effective and active instrument to promote mutual understanding among various cultures, to instill a sense of pride in our art and cultural heritage and to nurture the forces that work for the protection of our archeological buildings and museums.

# State Tourism Ministers' Conference

## Guidelines For The Development Of Ecotourism

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### 1. DEFINITION

The activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes constitute tourism. Such visits for being with nature to enjoy its enormous creations both biotic and abiotic, in a most environment friendly manner without any adverse impact on the ecosystem is particularly known as ecotourism. According to the World Tourism Organisation (WTO), "tourism that involves travelling to relatively undisturbed natural areas with the specified object of studying, admiring and enjoying the scenery and its wild plants and animals, as well as any existing cultural aspects (both of the past or the present) found in these areas" is defined as eco-tourism. Nature tourism (ecotourism) is distinguished from mass tourism or resort tourism by having a lower impact on the environment and by requiring less infrastructure development. The key elements of ecotourism include a natural environment as the prime attraction, an optimum number of environment friendly visitor's activities, which do not have any serious impact on the ecosystem and the positive involvement of the local community in maintaining the ecological balance. Ecotourism can take many forms and magnitudes. For example, forget oneself in a beautiful natural forest or landscape; watching of animals, birds and trees in a forest or corals and marine life in a sea; engaging in trekking, boating, or rafting; wandering in sand dunes, etc., are some of the common forms of eco-tourism. Though the concept has gained importance only recently, India has been experiencing various forms of ecotourism all through the ages.

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### 2. ECOTOURISM RESOURCES OF INDIA

The Geographical diversity of India has given a wealth of ecosystems, which are well protected and preserved. These ecosystems have become the major resources for ecotourism in India. These consist of:

- Biosphere Reserves
- Mangroves
- Corals and Coral Reefs
- Deserts
- Mountains and Forests:
- Flora and Fauna and
- Sea, Lake & River

#### 2.1 Biosphere reserves

Biosphere reserves are multipurpose protected areas to preserve the genetic diversity and integrity of plants, animals and microorganisms in representative ecosystems.



Wherever destruction or serious 'alteration' of areas of high primary productivity like wetland, seagrass beds, coral reefs, rainforests, is contemplated, benefits and costs should be carefully assessed before planning tourism development activities. Further, planning and promotion of tourism should be undertaken as a component part of an integrated, comprehensive resource management plan founded on sound ecological principles.

The Tourism Management Plan should also establish standards for resort development, covering among others, the style and locations of structures, treatment of sewage and control of litter, preservation of open spaces and public use of fragile areas. It should further lay down procedures to ensure that sewage is not directed to the beach or the around water and solid waste like litter, garbage, trash etc. are systematically collected and disposed suitably. Adequate precautionary measures should also be taken to avoid noise pollution. It should also specify methods and materials for construction activities and minimise any possible adverse impact on local materials.

Physical planning and design should integrate community services, transportation and tourism. Transportation and access should also be integrated with other purposes such as industry and trade as communities are: the termini for air, land and water access. Physical planning for all travel modes, especially modern tour buses also needs to be integrated between outside and inside the area of attraction.

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#### **4. Operational Guidelines**

The key players in the ecotourism business are the Government including the State Governments and local authorities, the developers and operators, the visitors and the local community. Each one of them has to be sensitive to the environment and local traditions and follow a set of guidelines for the successful development of tourism.

##### **4.1 The Government**

- The Management plan for each area should be prepared through professional landscape architects and urban planners and in consultation with the local community as well as others directly concerned.
- Integrated planning should be adopted to avoid inter-sectoral and cross-sectoral conflicts.
- The architectural programme for ecotourism centres should include controlled access points and cabins, roads, self-guided nature trails, transportation options, interpretive centres, signs, observation towers, lodging and dining facilities, docks, garbage disposal facility, etc. as per requirement. If needed, living quarters and facilities for project personnel also have to be provided.
- Structures creating visual pollution, unaesthetic values and non-compatible architecture should be controlled.
- Exclude developments in ecologically unstable zones and define Development and buffer zones after proper environmental impact assessments.
- Establish standards, building codes and other regulations.
- Specify environmental, physical and social carrying capacities to limit development activities.

- Ensure continuous monitoring of adverse effects of tourism activities and initiate suitable corrective measures.
- Recognise and award quality labels to ecotourism operators.
- Provide visitor information and interpretation services covering particularly
  - (i) what to see (ii) how to see and
  - (iii) how to behave.

It can be by way of brochures, Leaflets, specialised guides, self-guided trails, wilderness trails, visitor information centres, etc.

- Prepare and widely distribute codes of conduct to all visitors.
- Launch training programmes on ecotourism to tourism administrators, planners, operators and general public.

#### 4.2 Developers and Operators

- Respect and follow the planning restrictions, standards and codes provided by the Government and local authorities
- Implement sound environment principles through self regulation
- Practice environmental impact assessment for all new projects and conduct development of environmental audit for all ongoing activities leading to the development of environmental improvement programmes
- Be sensitive to conservation of environmentally protected or threatened areas, species and scenic aesthetics, achieving landscape enhancement wherever possible.
- Ensure that all structures are unobtrusive and do not interfere with the natural ecosystem to the maximum extent.
- Recognise the optimal environmental capacity and sociological use limits of the site in creating tourist facilities. They should also take into account safety and convenience of tourists.
- Buildings should be designed strictly on functional and environmental considerations and avoid over construction.
- Local materials and designs should be used in all constructions to the extent possible.
- Physical planning, architectural design and construction of tourist facilities should employ techniques like solar energy, capture and re-utilisation of rain water, recycling of garbage, natural cross ventilation instead of air-conditioning, a high level of self-sufficiency in food generation through orchards, ecological farms, aquaculture, etc.
- Energy and water saving practices should be employed to the extent possible. Also practice fresh water management and control sewage disposal.
- Control and diminish air emissions, pollutants and noise levels.
- Control and reduce environmentally unfriendly products such as asbestos, CFCs, pesticides and toxic, corrosive, infectious, explosive or flammable materials.
- Respect and support historic or religious objects and sites.
- Provide information and interpretive services to visitors especially on attractions and facilities, safety and security, local customs and traditions, prohibitive rules and regulations, self-conduct, and behaviour, etc.
- Ensure adequate opportunities to visitors for communion with nature and native cultures.
- In marketing ecotourism products, customers should be given correct information, as the visitors who appreciate ecotourism products are also environmentally aware target groups.
- Training and research programmes of the company should include environmental issues.

- Prepare tourists to minimise possible negative impacts while visiting sensitive environments and cultures before departing to the site.
- Ensure safety and security of visitors and inform them about precautions to be taken.
- Exercise due regard for the interests of local population, including their history, tradition and culture and future development.
- involve the local community to the extend possible in various activities

### 4.3 Visitors

- Contribute to the conservation of any habitat of flora and fauna and of any site whether natural or cultural, which may be affected by tourism. Make no open fires and discourage others from doing so. If water has to be heated with scarce firewood, use as little as possible. Where possible, use kerosene or fuel efficient wood stoves.
- Remove litter, burn or bury paper and carry back all non-degradable litter.
- Keep local water clean and avoid using pollutants such as detergents in streams or springs. If no toilet facilities are available, try to comfort yourself atleast 30 meters away from water sources and bury or cover the waste.
- Plants should be left to flourish in their natural environment and resist from taking away cuttings, seeds and roots.
- Leave the campsites clean after use. Remember that another party will be using the same campsite after your departure.
- Help the guides and porters to follow conservation measures. Do not allow the cooks or porters to throw garbage in streams or rivers.
- Respect the natural and cultural heritage of the area and follow local customs.
- Respect local etiquette and wear loose, lightweight clothes in preference to revealing shorts, skimpy tops and tight fitting action wear. Hand holding or kissing in public is disapproved by local people.
- Respect privacy of individuals and ask permission and use restraint in taking photographs of others.
- Respect holy places and never touch or remove religious objects. Strictly follow the guidelines for personal safety and security,

### 4.4 Local Population

- Realise and respect the value of environment, flora and fauna, monuments and cultural heritage.
- Practice conservation of nature and culture as a way of life.
- Establish guidelines to protect valuable local resources and foster tourism development.
- Realise and react to the potential threat of investors whose opportunities for development but lack sensitivity to local values.
- Become effective nature guides and conservationists of natural areas by enhancing the practical and ancestral knowledge of the natural features of the area.
- Be friendly with the visitors and help them to practice ecotourism codes.

# ECOTOURISM: SOME MISCONCEPTIONS AND CLARIFICATIONS

Eco-tourism in Kerala: Department of Public Relations, Government of Kerala

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Nowadays it has become a fashion to attach "Eco" to every product to give an elitist identity and make it an easily saleable item. In that way in many ways "ecotourism" has been misused to serve narrow interests.

Ecotourism is not simply a disposition. It is a distinct tourism product and has to be positioned in the market accordingly. This is a "destination management" concept. A thatched roof accommodation will not mean that it is ecotourism. At best, it may be taken as an eco friendly accommodation. Similarly most often "eco friendly tourism" is also termed as "ecotourism" by mistake. Actually both are different.

Then, in short in a most simple way ecotourism can be conceptualised as follows:

"Any tourism programme which is (a) nature based, (b) ecologically sustainable, (c) where education and interpretation are major component and (d) where local people are benefited, can be called ecotourism. If it does not satisfy any one of these components then it can not be called a real ecotourism programme."

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## ECOTOURISM AND SUSTAINABILITY

Ecotourism can be considered as a perfect economic activity, which promotes both sustainability and development. In general sustainability is defined as the "development that meets the needs of the present, without compromising the ability of future generation to meet their needs". In tourism industry, the idea of sustainable development relates to search for a balance between three elements - the tourists, the place and the host community.

The various aspects which need attention at operational level for sustainable management of ecotourism are given below:

- Assessment of carrying capacity;
- Transportation management;
- Conservation and adaptation which include continuous monitoring of natural resources management strategies;
- Design and control of development;
- Marketing effort in tune with the sustainability concept and
- Local community involvement.

Local community involvement is very much crucial for the sustainable ecotourism practices. More broad based democratic participation of the local communities in planning and implementation of ecotourism programmes will ensure long term sustainability.

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## PLANNING FOR ECOTOURISM

For ecotourism to be sustainable, environment planning and management of natural areas are necessary. The management plan for an area should specify objectives for tourism and natural resources



management and determine how sufficient income can be provided to the area as an incentive for improved management.

Studies related to environmental impacts of tourism has to be undertaken in order to assess the 'Carrying Capacity of the areas. In ecotourism context, Carrying Capacity means the maximum level of visitor use an area can accommodate with high level satisfaction for visitors and few negative impacts on resources. Ecologically, tourism impact can be determined by human induced symptoms such as changed animal behaviour, reduced number of species, erosion, changes in water quality etc. Base line data on frequency of tourist visit, tour group size, length of stay and activity pattern are required to develop appropriate management strategies.

Ecotourism activities include bird watching, trekking, mountaineering, horse riding and elephant riding within forests, wilderness trails, staying in natural caves, studying about flora and fauna, simple bush walking, fishing, animal behaviour studies, ecological studies etc.

In the planning process, care should be taken to ensure the participation of component players of tourism industry and other stake holders such as private sector, local communities, conservation groups etc.

It is in the interest of the immediate beneficiaries of eco tourism to maintain environmental quality of natural areas. However, this need not be felt by the tour operators as being seen in the present day context. They may try to get maximum income within a short period of time even at the risk of environmental degradation. Due to the nature of business competition, self-regulation on the part of tour operators and tourism project developers to maintain the quality of natural areas is non-existent or inadequate. Hence it is necessary to have externally imposed environmental policy measures whether regulatory, technical or economic to provide the incentives for individual tour operators and development corporations to undertake good environmental planning and management.

In ecotourism planning process, the profile of the eco-tourist has to be considered. Generally, there are four types of eco-tourists.

1. **Dedicated Eco-tourists:** They travel to an area for highly specialised purposes such as butterfly or bird watching. They won't require much facilities but they require expert natural history tour guides to educate them. They are also willing to pay more for these highly specialised services.
2. **General Eco-tourists:** They seek attractions such as rafting, trekking etc. Here also the principal attraction is unaltered nature. They do not require a great deal of infrastructure but expect a high standard in the quality and nature of the educational information that is supplied to them.
3. **Casual Eco-tourists:** They visit special nature attractions as a part of their holidays. But these are not their primary focus of visit. They are not much concerned about the unique quality of the places.
4. **Recreation Eco-tourists:** They normally use natural areas for relaxing. They are not eco-tourists but appreciate the greenery. They prefer some level of infrastructure development.

Based on the existence of different types of eco-tourists, the destination areas and types of nature tours should be diverse, as diversified nature tour industry is more economically viable and stable.

# Government of Karnataka Guidelines for Eco-Tourism

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The Karnataka Government has given the following Guidelines for Eco-Tourism projects.

- a) The promoters should provide basic infrastructure like general sanitation, parking facility, approach road and a clean environment at the project.
- b) The promoter should tap non-conventional energy resources like solar energy, bio-gas energy, etc.
- c) The promoter should harvest rain water.
- d) The promoter should use vermi compost technology
- e) The promoter should recycle the water.

The Tourism Department (of the State of Karnataka) also takes necessary cognition of ecological and environmental aspects before clearing large tourism related projects. The State Government has a Single Window Agency (SWA) which scrutinises the (large) tourism projects and provides clearance after considering various aspects.

Hence, the State of Karnataka places importance to "Sustainable Development" in tourism sector as a whole, which also includes eco-tourism.

The Karnataka Tourism Policy in force from 30th May, 1992 has been revised and continued upto 31-05-2002. The major highlights of the incentives and concessions available for tourism projects are as follows:

- 1) Investment subsidy 10% to 35% subject to ceiling of Rs.35 lakhs in category A, B, C, D and E locations
- 2) Exemption from sales tax from 3 years to 7 years in category B, C, D and E locations (Nil in Category A)
- 3) Exemption from luxury tax from 3 years to 7 years in category B, C, D and E locations (Nil in Category A)
- 4) Additional incentives 15% for utilisation of non-conventional energy resources subject to ceiling of Rs.10 lakhs.
- 5) Exemption from Stamp duty and concession in registration charges.
- 6) Electricity tariffs at the rate applicable for industrial undertaking for tourism industry projects.
- 7) Waiver of fee for converting agricultural land into industrial/commercial lands.
- 8) Additional concessions to special categories of entrepreneurs SC/ST's, Minorities, Women entrepreneur Physical handicapped and ex-servicemen)



9) Special incentives for large tourism, investments.

The package of incentives was revised during 1996-97 and more attractive incentives and concessions have been proposed for the tourism related projects. The new package of incentives will come into effect from 1-6-1997.

# Tamil Nadu Tourism Opening the Spice Routes

(The Economic Times, 27 July, 3 & 4 August 1999)

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Tourism plays an important role in the socio-economic development of our country. It is also one of the major sources of earning foreign exchange. By strengthening the existing infrastructure facilities, we could not only promote Tourism but also serve better to the local community. Tourism promotion also creates employment in urban as well as rural areas.

Tamil Nadu has a variety of Tourism products and is known all over the world for its rich cultural heritage. It attracts more and more domestic and inbound tourists who visit our state, to enjoy the culture, rich tradition, flora and fauna and the vast stretch of beaches.

## TOURISM IN INDIA

The Government of India, Ministry of Tourism has announced the Year 1999-2000 is the "Explore India in the Millennium Year" and wanted the states to gear up all tourism activities so as to attract maximum domestic and inbound tourists.

The number of inbound tourists who visited India in 1996 was 22,87,860 in 1997 it increased to 23,74,094. Thus it has witnessed 3.8% increase over the previous year. During 1997 the number of domestic tourists stood at 15.62 crores.

In India, among the foreign exchange earning industries, tourism occupied the 3<sup>rd</sup> position in the gross earnings, while in the net earnings it stood at the second place. The foreign exchange earning through tourism in 1990-91 was Rs.2,612.5 crores. This multiplied four times in 1996-97 and it reached an all time high of Rs. 10,417.06 crores domestic production was 5.6% and in the employment sector 5.8% was through tourism. The total number of tourists who visited Tamil Nadu in 1997 was 195.654 lakhs. During 1998 it increased to 210.50 lakhs registering 7.6% increase over the last year.

## TAMIL NADU TOURISM POLICY

The concepts and guidelines adopted by Government of India while drafting the 9<sup>th</sup> five-year Plan were home in mind while drafting the State Tourism Policy.

1. Facilities specifically required for each tourist centre will be provided for the benefit of the inbound tourists.
2. To prepare a Master Plan for specific tourism areas, to identify the deficiencies in infrastructure and suggest integrated intensive developmental activities.
3. To encourage private investments in tourism promotion and arrange to channelise through a single window clearance.
4. To aggressively campaign and publicise, any tourism product in other states and foreign travel marts,

5. To constitute Tourism Development Committee in all the districts and in the state headquarters.

6. To propagate cultural tourism intensively by conducting various festivals.

With a view to promote domestic tourism, it is necessary to create awareness among the public by disseminating information about the important centres in our state. Hence during 1997-98 we have opened Tourist Information Centres in Hyderabad, Bangalore and Thiruvananthapuram. Already we have tourist offices in 14 important tourist centres in Tamil Nadu besides New Delhi, Calcutta, Mumbai and Panaji (Goa) through which tourist information is provided to all tourists.

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### **TOURISM AS AN INDUSTRY**

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The Government has declared tourism as an industry and ordered to grant concession and subsidy for the following schemes commissioned on or after 20/1/1992.

1. One, two, three star hotels with an outlay of less than Rs. 100 crore in places other than Chennai, Coimbatore and Madurai.
2. Amusement parks, A.C. coaches to be operated by approval tour operators.
3. Golf Course
4. Government approved restaurants.

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### **LOANS**

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Loans will be given to tourism projects as per the interest fixed by the Government or Reserve Bank of India from time to time, by Financial Institutions.

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### **CAPITAL SUBSIDY**

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Capital subsidy for new tourism projects at 10% of investments excluding cost of land will be granted subject to maximum of Rs.10.00 lakhs per project.

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### **GENERATOR SUBSIDY**

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Governor subsidy for new tourism project at 15% of the cost will be granted subject to a maximum of Rs.5.00 lakhs per unit.

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### **CENTRALLY ASSISTED SCHEMES**

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According to the guidelines issued by the Ministry of Tourism, the State Government every year recommends schemes for receiving Central Assistance on prioritised basis. As soon as the Central assistance is received, the State Government will release its share: Schemes completed during 1998-99

1. Wayside facilities at Sripermbudur
2. Tourist Lodge at Pudukottai.

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### **ECO-TOURISM**

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Tourists from all over the world love to visit natural scenic spots and eco-friendly environs. They do include eco-friendly tourist spots in their itinerary while visiting Tamil Nadu. Out of the total number

of tourists about 25.4 per cent of the tourists have, visited natural surroundings in Tamil Nadu during 1997.

Among the 9 biosphere reserves in India two (One in the Nilgiris and another in the Gulf of Mannar) are located in Tamil Nadu. The State Government has declared the coast area between Muttukadu and Pondicherry as Special Tourism Area. A number of eco-friendly tourism activities like golf course, beaching resorts, private sector promoters in this area propose adventure sports. The Department of Tourism has been taking concerted efforts in co-ordination with other Government Departments to encourage tourism projects.

To explore the eco-friendly Tourism potential (without affecting it) in the Kurusadai Group of Islands, works have been taken up to strengthen the existing infrastructure. Eco-friendly adventure tourism activities are proposed at Kolavoi lake, Chengalpattu, Pulicot Lake near Chennai and at Pitchavaram near Chidambaram.

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### **COASTAL REGULATION ZONE**

The Government of India has notified the coastal area under Coastal Regulation Zone and divided into 4 zones (i.e.) CRZ I, CRZ II, CRZ III, CRZ IV.

Coastal area in Tamil Nadu comes under only three zones (CRZ I, CRZ II & CRZ III). About 1000-kms long coast line in Tamil Nadu with abundant tourism potential helps generate more economic activities in India, especially in this state.

The stipulation that no industrial or hotel activity can be undertaken on the seaward side of East Coast Road has negated the concept of Beach Tourism. The State Government has requested the Union Ministry of Environment and Forest to remove the said conditions and permit tourism oriented activities subject to Coastal Zone Regulations.

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### **STATE INSTITUTE OF HOTEL MANAGEMENT AND CATERING TECHNOLOGY, TIRUCHINAPALLI:**

State Institute of Hotel Management and Catering Technology, Tiruchinapalli has been functioning under the, Department of Tourism. It offers three years Diploma in Hotel Management and Catering Technology course since 1994-95. This institute has been upgraded as State Institute of Hotel Management and Catering Technology and is functioning from 1998. One-year full time Certificate Courses are also offered in the institute. Every year students are selected for admission through written Test and interview.

This institute receives grant of Rs.11.00 lakhs every year from the State Government Total strength in the institute is 384 students, who pass out of this institute get placement through campus interview and a large number of students hailing from rural areas get employment opportunity through this institute.

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### **EXPLORE INDIA IN THE MILLENNIUM YEAR:**

Government of India Tourism Department has declared 1999-2000 as Explore India in the Millennium year and a number of activities have been planned. To attract more Foreign Tourists and also domestic



tourists, the Department of Tourism will organise new fairs and festivals, and celebrate other regular festivals enlisting the support of private institutions in hospitality industry. More tourism-oriented projects will be implemented at all tourist spots. New advertising campaign is taken up, and new publications will be brought out. Innovative advertisements will be released through popular TV and journals.

The Tourism Department and the Tourist offices in the offices in the districts will be computerised for the dissemination of information to the tourists.

It is also decided to utilise the Durotron Hoarding at Airports to publicise the tourism potential and services. To coincide with the Explore India in the Millennium year celebrations, TTDC has decided to introduce more number of package tours for the benefit of tourists. Hotel Tamil Nadu run by the corporation will be upgraded providing more facilities and giving facelift.

### **TAMIL NADU TOURISM DEVELOPMENT CORPORATION**

Tamil Nadu Tourism Development Corporation Limited was incorporated during the year 1997. It made a modest beginning with 5 Tourist Bungalows and two coaches with the object of providing necessary services in Tamil Nadu for the visiting tourists. It has made rapid strides since then and today has earned the proud distinction of owing the largest chain of hotels numbering 36. The bed strength has increased from 253 in 1971 to 2400 in 1999. The fleet strength has increased to 26. TTDC has established the following tourist amenities in the State.

1) Hotels	:	36
2) Youth Hostels	:	8
3) Boat Houses	:	10
4) Restaurants	:	3
5) Snack Bars	:	2
6) Telescope Houses	:	4
7) Mobile Restaurant	:	2
8) Garden	:	3
9) Tourists Service Centre (Petrol Bunk)	:	1

Youth Hostels have been established mainly with the object of providing accommodation to low budget tourists at a very nominal rate of Rs.501- per bed per day.

#### **New Units inaugurated during 1998-99**

- (1) One additional block of 16 rooms at Krishnagiri
- (2) New hotel at Courtalam with 12 double rooms
- (3) Two additional Cottages at Palani
- (4) Boat house at Ponnerikarai, Kancheepuram
- (5) Suspension Bridge at Hogenakkal
- (6) Boat House at Kumbakonam

## **STEPS TAKEN DURING THE YEAR 1998-99**

- (1) Old luxury coaches were replaced with new coaches by availing of loan from Tamil Nadu Transport Development Finance Corporation.
- (2) Open tenders have been called for to operate a Cable Car Project at Ooty on BOT basis (build, operate and transfer). The tender formalities will be completed with the assistance of the consultants and work will be trusted soon.
- (3) The Government has sanctioned Rs 100 lakhs for upgrading major hotels at Mamallapuram, Ooty, Kodaikanal, Kanyakumari, Rameswaram and Madurai. The upgradation works will be taken up soon.
- (4) Computers have been installed in major hotels with Government of India and State Government Assistance.
- (5) TTDC was put on the Website with the address: <http://www.tamilnadu tourism.com>. The complete details about the package tours, accommodation facilities and the various tourist places in Tamil Nadu have been installed at this site. This has helped the tourists from various countries like Germany, Australia, France to book hotels and package tours directly utilising the Internet facility.
- (6) The Government has accorded approval for letting out 15 hotels of TTDC on franchise basis. Based on the Government orders, open tenders were called for, for franchising 15 units. Orders have already been issued for franchising five hotel units.

It has been decided to concentrate on the existing profit making hotels by upgrading the facilities and the services. Hence all the new hotel units which are likely to be completed in future would be let out on franchise basis so that the resources of TTDC can be utilised for upgrading the existing hotels.

## **STEPS PROPOSED TO BE TAKEN UP DURING THE YEAR 1999-2000**

- (1) It has been proposed to install amusement equipment at Ooty and Kanyakumari at a total cost of Rs.25 lakhs.
- (2) It has been proposed to set up the adventure Water sports centre at Kolavoi Lake in Chengalpattu District.
- (3) In pursuance of the High Court Order, TTDC had removed all the encroachments in the Muttukadu site in an area of 39 acres, with help of District Collector, Kancheepuram and it is proposed to invite entrepreneurs for establishing an Eco and Natural Health Park in the site.

## **TRANSPORT DIVISION**

TTDC has earned the proud distinction of being the only Corporation to operate package tours covering all the States in the Southern region, namely Andhra Pradesh, Kerala, Karnataka, Pondicherry and Goa. This has proved to be a major boon for inbound tourists.

TTDC has been endeavouring to introduce several new tours to meet the growing demands of the tourists. TTDC has introduced the following new tours during 1998-99.

- (1) 14 days Puri, Gaya, Kasi, Allahabad tour covering the States of Uttar Pradesh, Madhya Pradesh, Orissa, Bihar, Maharashtra, Andhra Pradesh and Karnataka.
  - (2) 12 days Mumbai, Ajantha, Ellora tour.
  - (3) 5 days Vainava Temple tour covering 18 holy shrines in Pandianadu (out of 108 holy shrines).
- The Transport Division suffered a major set back during the peak season of December '98 due to the steep fall in the arrival of Malaysian Tourists. However, steps were taken to tap the potential of tourists



availing of LTC facilities during this period and had operated record number of package tours covering Tamil Nadu and South India.

TTDC organised special package tours covering important tourist places in Tamil Nadu for the benefit of 1500 employees of MRL. It has been planned to organise similar package tours for the employees of other leading Public Sector companies.

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#### **SALES PROMOTION AND MARKETING**

- (1) Tie-up arrangements have been made with the B.H.E.L. for accommodation of 200 room nights at Courtalam.
- (2) Tie-up arrangements have been made with ITDC for booking the hotels of TTDC through their reservation net work. ITDC had been booking only the package tours of TTDC till date and hence it has been proposed to extend this facility to TTDC hotels also.
- (3) Tie-up arrangements have been made with the Training Centre at Reserve Bank for organising Special Package tours on regular basis for their trainees.
- (4) Indian Oil Corporation for providing accommodation at Coimbatore, Madurai, Ooty and Kodaikanal for the employees of IOC.
- (5) Tie-up arrangements are being made with Indian Bank for providing Holiday Home facility to their staff.

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#### **FINANCIAL PERFORMANCES:**

TTDC has achieved a turnover of Rs.2466 lakhs during the year 1997-98 turnover for the period 1998-99 is estimated at Rs2750 lakhs representing a growth of 12 per cent during 1998-99 with the franchising of loss making units. It is anticipated that the profitability of TTDC would improve significantly during 1999-2000 even after reckoning the huge financial commitments consequent to the implementation of the 51 Pay Commission recommendations.

# DRAFT WILDLIFE TOURISM GUIDELINES FOR INDIA

Government of India, Ministry Of Environment And Forests, March 31, 1994  
(Sanctuary Asia Vol. XIV No. 3, 1994.)

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## OVERVIEW

Under instruction from the Hon.Minister of Environment, a subgroup of the Project Tiger Steering Committee consisting of Mr. Brijendra Singh, Mr. Ashok Kumar, Mr. Sati Puri, Mr. Valmik Thapar, Mr. Bittu Sahgal and Mr. Arun Ghosh, was formed to draft a position paper as the first step towards the formulation of a wildlife tourism policy for India.

The group first discussed the issue at the Project Tiger Steering Committee meeting held in Paryavaran Bhavan on January 6, 1994, and subsequently at the office of the Field Director in New Delhi on February 14, 1994. After this, individual members were in contact with each other regarding the draft policy statement and what follows is the result of their collective endeavours. In drafting these guidelines, we have taken into consideration the recommendations made to the Ministry by the *Committee for Management of National Parks and Sanctuaries and Tourism under the Chairmanship of the late Mr. Suail K. Roy in 1990.*

Once the basic approach and draft is approved it would need to be re-organised so as to convert it into a "Guideline Document" for PA managers and State wildlife wardens. At the next Steering Committee meeting, we might like to discuss the draft and consider converting it with additions, deletions and suggestions into a national policy for wildlife tourism.

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## HIGHLIGHTS

1. At the very outset it was recognised that a sensible tourism policy could be one of the most effective conservation tools, which could be used to help protect India's vanishing wildernesses. Since most of what remains can now be found largely in protected areas, it is inevitable that our sanctuaries and (in exceptional circumstances) national parks be carefully used for strictly controlled tourism in specially demarcated tourism zones. In this endeavour it was unanimously felt that the Ministry of Environment should coordinate with the Ministry of Tourism so that we obtain their participation in the finalisation and execution of a national wildlife tourism policy. Unless this is done, the policy may remain a paper exercise

It was also recognised that in order to usher in a publicly supported, sustainable tourism drive it is imperative that forest guards and guides be given a sense of pride in their job. This in turn, it was recognised, could only be achieved if the Ministry was able to institute a proper training and orientation programme for such key personnel. One way to achieve this would be by enlisting the cooperation and help of NGOs and individuals who live around our various reserves and asking the *Wildlife Institute of India (WII)*, *Bombay Natural History Society (BNHS)*, and *WorldWide Fund for Nature - India (WWF-India)* and other such proven institution to contribute their expertise and resources. The idea would be to emphasis at the very outset that the animals should not be subjected to stress and disturbance, as this would seriously affect



their behaviour and breeding ecology.

It is to the credit of the Indian government that from 10 national parks and 127 sanctuaries occupying about 25,000 sq. km in 1970, the total protected area network - in 1991 went up to 132,000 sq.km with 66 national parks and 421 sanctuaries. One of the objectives of promoting wildlife tourism should be to canvass support from the general public, particularly local residents, for an increase this area to 1,83,000 sq. km. that is, around 5.6 per cent of the country's land area, comprising 147 national parks and 633 sanctuaries (WII recommendation).

**2. It was further recognised that a judicious mix of nature-orientation and strictly-enforced rules and regulations would need to be applied so as to achieve the twin objectives of offering tourists an enthralling experience... while guarding against the possibility of tourism-related problems causing damage to the very wildernesses which require protection. RULES AND REGULATIONS must be worked out and handed over to every park manager with instructions to display the same prominently outside the park and also to make such a document readily available to tourists in English, Hindi, plus at least one local language.**

Such rules would need to be finely tuned by each park manager to incorporate his or her own unique and typical concerns such as not approaching nesting sites, or closing approach roads on account of disturbance to a tigress with week-old cubs, preventing use of loudspeakers and two-in-ones, prohibition from bringing in exotic plant species, prohibition on the use of flash for photography, restrictions on the entry of inappropriate vehicles etc.

**3. Before finalising any policy on tourism, it was felt that a series of consultations and debates should be encouraged under the auspices of the Ministry of Environment so that the views of all those involved or affected by future wildlife tourism activities are ascertained. This would include the actual communities in whose midst such tourism will operate the tour operators, wildlifers and policy makers including state wildlife wardens and park directors. This process should result in an official wildlife policy for India by March 31, 1995. The process of consultation and finalisation would be conducted over the next 12 months and should involve:**

a) Public meetings in New Delhi, Bombay, Calcutta, Bangalore, and Madras inviting people's comments on the issue of wildlife, tourism.

b) Actual field visits by subgroup members to at least six (preferably more) representative wildernesses - Bandhavgarh, Periyar, Corbett, Pench, Ranthambhor and Gir. Discussion would be held with villagers, transport and tour operators, forest guards, park managers and local conservationists.

**4. Through a press release, the Ministry should also invite comments and suggestions from the general public. A draft press note would be prepared by the subgroup upon approval of the ideas presented below**

**5. Wildlife tourism zones should remain closed between dusk and dawn each day. Additionally, the Park Manager may exercise his discretion to close the Park during longer duration i.e. during the monsoons, or even at the pinch period when the wildlife might be unable to tolerate the additional stress of human intervention into their daily lives.**

While acknowledging the potential of tourism to offer gainful employment to many thousands of people, it should be made clear that the purpose of inviting people to visit India to view wildlife, or to encourage people from urban India to visit sanctuaries and national parks, should NOT be to extract the maximum possible money from such visitors in the shortest possible time. Rather, it should be to offer them an unique experience and insight into a world of peace and natural wonder. It should also be our objective to drive home the fact that the lifestyles of those who live in our villages are considerably more environment-friendly than that of most tourists who should look upon themselves as honored guests - not customers out to buy goods and services in the marketplace.

As such we should be looking to promote sustainable, moderately priced, clean and wholesome - rather than five-star facilities. By and large, tented camps and dormitories should be encouraged and where permanent construction is set up, the architecture and design should blend in with the surroundings. We should also ask the Ministry of Tourism to help us orient visitors from the very first stage itself - at the point where we can canvass their visit - to come to India in search of a holistic and 'complete nature experience', rather than merely to see a tiger, or an elephant, or a lion.

It should be our endeavour to offer as "near to nature" an experience to all visitors. This would in fact allow all Park Managers to turn the "lack of luxury facilities" to advantage by placing eco-tourists on a 'natural pedestal' by stating that 'unlike others who crave luxuries. Those who come to such remote destinations actually want to be near nature and 'far from urban comforts'. In other words, we would like residential structures to blend in with the surrounds, we would not want any baiting to take place and we would urge that once in the forest, the tourist should not be subjected to the sight of loud sign posts and other such 'man-made' 'instructions' which merely serve to bring the visitor 'down to earth' from what should ideally be a 'heavenly natural experience'.

Tourists should all be made aware of the provisions of The Wildlife (Protection) Act 1972 as amended in 1991. Formal and non-formal orientation centres must be set up in every reserve and all first time visitors should be routinely introduced to the forest by means of short talks which could even be held under just outside the park gates under the shade of a tree, or in an orientation centre if one has been constructed. Here it should be explained that the prime purpose of these delicate areas is to hold, forever, the precious bio-diversity, which evolved on earth over the eons. It should be pointed out that while the forest which they are about to enter no doubt benefits elephants, tigers, deer, birds and insects, such areas also supply humans, particularly India's 60 million tribal people, with uncounted goods and services, such as water, fuel, fodder, fibre and food. There is great need, therefore, to transport people from afar to these wildernesses so that the appreciation of nature is rooted within their consciousness.

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## THE NATURE OF TOURISM

Each reserve has its own particular charm and its geographical characteristics will determine the best way to view it. Day-trippers must be allowed inside reserves, but this should not be permitted in the form of uncontrolled picnics, which could result in danger to the tourists, disturbance to wildlife and fire and other hazards to the habitats. The routes of day-trippers should be



pre-determined and may need to be somewhat removed from overnight visitors whose tranquillity would almost certainly be disturbed by hordes of people in a hurry.

Most often, real appreciation can only emerge when the tourist spends a few days at the site to allow the city to seep out of his or her system, while the wilderness seeps in! Transport, of course, is a major limiting factor for most reserves. But in most of the larger complexes a combination of buses, elephants, private car, and even cycles and trekking (where there is no fear from carnivores or elephants), could allow visitors to see the reserves at their own pace.

Using the services of established institutions such as the WII, BNHS, WWF-India etc., the Environment Ministry should attempt to create a cadre of knowledgeable guides and experts in all the states. These persons could be used as resource people by the PA managers to accompany/orient visitors.

While tourism can and should play a positive role in ensuring the long-term survival of our wilds, - we should not forget tourism's potential dark face. Most often the adverse effects of tourism emerge where commerce replaces education as the prime-motivating factor. Luxury, tourism is particularly prone to abuse, as is uncontrolled mass tourism... with quick-operators searching to squeeze fast-money by cramming too many visitors into fragile wildernesses. In the case of well-to-do travelers seeking adventure, we have seen that most choose to visit remote areas to be one with nature... but that they invariably demand the creature comforts of urbania. This causes problems of waste disposal, fuel-wood consumption and also social tensions when villagers, prevented from accessing forest wealth themselves, see rich outsiders enter freely as latter-day maharajas. This has been a particularly vexing factor around Indian wilderness areas where even government servants are treated as royalty by park authorities, who are otherwise ruthless in their treatment of locals.

Tempted by the foreign exchange (or major rupee income) they bring, policy makers unfamiliar with the imperatives of environmental protection sometimes turn a blind eye to the negative effects of luxury tourism... until it is too late. Unchecked, such policies eventually destroy the very assets that attract people from distant destinations in the first place. Discerning tourists, of course, stop frequenting ruined destinations long before they are ruined.

It is impossible to 'police' tourist behaviour beyond a point. It is imperative, therefore, that tour operators be made to attend orientation programmes themselves so that they are able to pass on the appropriate value systems to the customers they handle. If, with the help of the Tourism Ministry, we are able to show how such an attitude would actually profit them by attracting 'green tourism' it should be possible to achieve by persuasion what cannot be achieved by command.

If there is one central theme, which should guide wildlife tourism efforts in India, it should be to use tourism as an educational tool for conservation. It would be self-defeating to try and compete with, or out-do, industrial nations by offering 'plastic' and sanitised five-star luxuries to their citizens - not merely will we damage our environment, but we will almost certainly lose what little respect we still enjoy in the world community for caring so little about our own heritage.

Tourism policy planners within the Government of India, as also tourism promoters in the private sector, must be made to recognise that the conservation of nature presents our nation with its best hope to uplift the quality of life of people of our country. This is the only realistic way to work towards health for all, nutrition for all and equity for those who are not a part of the market system. Nature can provide clean water, food- shelter and dignity as no man-made enterprise could ever hope to. The conservation movement must in fact be recognised for what it is, a strong bond between two very

powerful streams which have joined issue - the environmental and human rights. It is in this context that plans should be made for tourism into fragile areas, which are the life-blood of millions of people through the length and breadth of India.

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## AFRICA Vs INDIA:

The very first communication from India, to all potential overseas wildlife-tourists should be that India is distinctly DIFFERENT from Africa. If we fail to do this, preferring instead to 'lure' 'rich tourists to our country by billing our wilds as 'competitive' destinations to Africa, we will be obliged to offer all the trappings ---- hot air balloons, champagne breakfasts, air-conditioned Land Rovers and flush-toilet-equipped tents. While it is certainly, within our capacity (but not necessarily in the interests of wildlife) to cater to such luxuries for a handful of tourists, it is inconceivable that we would be able to create such infrastructure for the vast majority. This will lead to short cuts, tacky invitations and frustrated tourists. If, on the other hand, we concentrate on offering meaningful value-for-money and typically Indian experiences, we will reap the harvest of sustained tourism. By comparing ourselves to Africa we will inevitably come off second-best on the big-game viewing experience. In Africa a spotter with a pair of binoculars can easily locate a pride of lions, a herd of wildebeest or giraffe, up to two kilometers away... and then drive tourists to the spot in five minutes. In India you could be ten feet from a tiger and not even see the animal!

Even if it means hiring a good public relations consultant to help us communicate the fact, we should package the Indian wildlife tourism experience in a completely different manner, highlighting the dappled gloom. Uncertainly sounds and spiritual time warp into which visitors can escape, The Indian wildlife experience must be sold differently... but to do this, the seller must obviously possess the requisite imagination--and persons who have real knowledge of the jungle must be allowed to participate in the "teaching venture". Without a shadow of doubt the Kiplingesque ambiance of our leafy jungles and the friendliness of our people is a major selling point. The bald truth, in any event, is that Indian forests are more dense and actual wildlife viewing consequently more difficult than it is in Africa. Those who promise, therefore, to guarantee a tiger sighting, or even an elephant sighting, will either end up breaking or bending rules to 'satisfy' their customer, or lose such custom altogether. Vastly preferable would be a policy, which relies on the proper Orientation of tourists. Avoiding the pitfalls of over-promising 'goodies', or offering super-luxuries, which cannot be delivered.

The wildlife tourism policy of the Government of India should be based on the premise that tourists would prefer honesty, to bustle. If we do not over-promise or mislead them, they are most likely to return to their homes carrying pleasant memories of the ambiance of the forest and Indian hospitality. What is asked of tourism promoters is that they cash in on the total ecological experience of their guests.

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## CASE STUDIES

### *The Corbett Tiger Reserve*

More than 40,000 visitors enter the Corbett Tiger Reserve each year. Around a quarter stay within the park at night, the rest prefer to make day trips from outside. Many tourists do genuinely seek (and get) to commune with nature, but to many more the outing is merely a different kind of picnic. From such tourists the park suffers litter, noise and fire risks. The park generally gets a bad name from such tourists who complain that "They did not even show us a tiger!" If all tourists were obliged first to pass

through even a ten minute orientation centre, they might enhance their own experience and also appreciate that, the actual purpose of the park is to protect a vital national heritage (which indeed belongs to the tourist), not cater to the human desire for an 'outing'.

It would be safe to say that few tourists processed through the 'usual' route would be able to experience Corbett, or come to understand its problems. The reason is straightforward. First of all, most tourists do not have the time to truly savour wild places. Then, tourists are not adequately informed of the possibility of an 'alternative experience'. We should advise tour operators who wish to use Corbett and other such wilderness to "slow down" the pace of their guests. Perhaps they could arrange for tourists to gather in New Delhi or any other major town where meetings could be arranged with Indian conservationists at the Natural History Museum or other suitable locations such as the Delhi zoological gardens, or Lodi gardens where they could be prepared for a visit to Corbett, Ranthambhor, or Bharatpur.

### *Ranthambhor Tiger Reserve*

Nowhere can the dark side of tourism be better seen than in the Ranthambhor Tiger Reserve which is a haven in decline. Some years ago a rash of high and low class hotels cropped up like unfettered mushrooms as thousands flocked to catch weekend glimpses of its famous tigers. Tiger-viewing here became a free-for-all money making racket and conditioning the tigers to the presence of so many visitors probably left them vulnerable to tiger poachers for the first time in decades. Over 20 tigers are suspected to have died in the process. We should guard against a similar situation arising in future by distributing the foreign tourism load at the main arrival points, Delhi and Bombay. For local tourist load distribution, it would be necessary to link up with the State Tourism Departments for whom a computerised reservation link would have to be set up with the headquarter towns of major wildlife reserves.

As can be seen from the mounds of plastic bags, paper wrappers and loud transistor radios and tape recorders which blare crudely just outside the entrance gate to Ranthambhor in Rajasthan, or Borivli in Maharashtra, visitors tend to have little respect for community property... if locals themselves do not display respect for their assets. This trait, more than any other, has led to the degradation of India's once-pristine beachfronts, wildernesses and cultural treasures. At the heart of such tragedies so graphically illustrated by the examples of ravaged tourist destinations such as Brazil's Copacabana beach, Thailand's Pattaya and India's Goa, lies a lack of respect, for people and nature.

### *The Gir Lion Sanctuary*

According to experts, the near-extinction of the Asiatic lion was probably caused by the introduction of firearms. In fact, as per available records, by the year 1848 they had already been wiped out from the whole of India except for their last refuge -- Gir. It is said that there were only around 20 lions left alive in 1913. The Nawab of Junagad took some timely action and by 1920, their numbers had risen to 100. By 1955 the population had risen to around 290 lions. By all estimates extinction had been warded off.

It was only in 1965, that a 1265-sq.km area in Gir was declared a wildlife sanctuary, in the heart of the Kathiawar peninsula. This area was handed over to the forest department of Gujarat. But, outside this protected area, the land continued to be abused and today a situation has arisen where the pressure on the last home of the Asiatic lion, has increased so considerably that fears for its extinction have once again arisen. Today, the sanctuary area is 115.42 sq.kms with an additional 258.71-sq. kms declared as a

national park, which also serves as the core. Exact figures are difficult to quote, but today there are less than 250 lions left alive in Gir. Local grazers sometimes poison these animals; their claws are much sought after by poachers who sell them for fancy prices. Because of bad land management outside Gir, there is no fodder available, so outsiders send their cows and buffaloes into the forest. This leaves the jungle so disturbed that natural prey like sambar and chital are difficult for the lions to hunt. The problems are really quite severe and no one seems able to do very much to ease them.

Such issues may not be the prime concern of the 'average' tourist, but the more they know about the problems of wild places, the more they will appreciate the imperatives of protected area managers. Besides, involvement with a problem invariably leads to concern and understanding, both of which are crucial if tourists are expected to appreciate the imperatives of those whose job it is to protect areas like Gir.

The prime reason for Gir's existence is to save the Asiatic lion. Every other priority, tourism, fodder, fuel wood etc., must be subservient to the survival of the species. By and large, though it does have major trouble now and then, Gir is a well managed forest and tourists generally come away satisfied. Problems generally crop up when the old or very young lions leave the forest in search of new territories. When they come into contact with villagers who throw stones, or otherwise react aggressively, the cats strike with tragic consequences. This further erodes conservation support. Another time when trouble rears its head is when stubborn tourists refuse to obey park rules and insist on walking in the forest. If such people were made to visit the orientation center before entering the forest, and persuaded to cooperate with the authorities it would make the task of ensuring their comfort and safety much easier.

Gir badly needs public support. Its forested corridor link with adjoining forests has been damaged. Politicians seek to gain cheap popularity by encouraging locals to invade the forest to claim timber and grass in exchange for votes. It would be a very good idea for conservation oriented tour operators to routinely ask their clients to write letters to the Chief Minister of Gujarat, praising his government for the steps it is taking to save the lion. It would also help a great deal if they brought violations by irresponsible tourists to the notice of the authorities. Though small, such steps would contribute to the efforts to save the forest and its charismatic lions.

# COASTAL REGULATION ZONE NOTIFICATION, 1991

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## Annexure - I

### COASTAL AREA CLASSIFICATION AND DEVELOPMENT REGULATIONS

#### Classification of Coastal Regulation Zone:

- 6 (1) For regulating development activities, the coastal stretches within 500 metres of High Tide Line on the landward side are classified into four categories, namely:

#### Category I (CRZ-I)

- (i) Areas that are ecologically sensitive and important, such as national parks/ marine parks, sanctuaries, reserve forests, wildlife habitats, mangroves, corals/coral reefs, areas close to breeding and spawning grounds of fish and other marine life, areas of outstanding natural beauty/historically/heritage areas, areas rich in genetic diversity, areas likely to be inundated due to rise in sea level consequent upon global warming and such other areas as maybe declared by the Central Government or the concerned authorities at the State/ Union Territory level from time to time.
- (ii) Area between the Low Tide Line and the High Tide Line.

#### Category-II (CRZ-II)

The areas that have already been developed upto or close to the shoreline. For this purpose, "developed area" is referred to as that area within the municipal limits or in other legally designated urban areas which is already substantially built up and which has been provided with drainage and approach roads and other infrastructural facilities, such as water supply and sewerage mains.

#### Category-III (CRZ-III):

Areas that are relatively undisturbed and those which do not belong to either Category-I or II. These will include coastal zone in the rural areas (developed and undeveloped) and also areas within Municipal limits or in other legally designated urban areas which are not substantially built up.

#### Category-IV (CRZ-IV)

Coastal stretches in the Andaman & Nicobar, Lakshadweep and small islands, except those designated as CRZ-I, CRZ-II or CRZ-III

#### Norms for Regulation of Activities.

- 6 (2) The development or construction activities in different categories of CRZ area shall be regulated by the concerned authorities at the State/Union Territory level, in accordance with the following norms:

##### CRZ-I

No new construction shall be permitted within 500 metres of the High Tide Line. No construction activity, except as listed under 2(xii), will be permitted between the Low Tide Line and the High Tide Line;

\*[provided that construction of dispensaries, schools, public rain shelters, community toilets, bridges, roads, jetties, water supply, drainage, sewerage which are required for traditional inhabitants of the Sunderbans Bio-sphere reserve area, West Bengal, may be permitted, on a case to case basis, by an authority designated by the State Government.

##### CRZ-II

- (i) \*[Buildings shall be permitted only on the landward side of the existing road (or roads proposed in the approved Coastal Zone Management Plan of the area) or on the landward side of existing authorised structures. Buildings permitted on the landward side of the existing and proposed roads/existing authorised structures shall be subject to the existing local Town and Country Planning Regulations including the existing norms of Floor Space Index/ Floor Area Ratio;

provided that no permission for construction of buildings shall be given on landward side of any new roads (except roads proposed in the approved Coastal Zone Management Plan) which are constructed on the seaward side of an existing road].

- (ii) Reconstruction of the authorised buildings to be permitted subject to the existing FSI/FAR norms and without change in the existing use.
- (iii) The design and construction of buildings shall be consistent with the surrounding landscape and local architectural style.

##### CRZ-III

- (1) The area upto 200 metres from the H'TL is to be earmarked as 'No Development Zone'. \*\*[NO construction shall be permitted within this zone except for repairs of existing authorised structures not exceeding existing FSI, existing plinth area and existing density, and for permissible activities under the notification including facilities essential for such activities. An authority designated by the State Government/Union Territory Administration may permit construction of facilities for water supply, drainage and sewerage for requirements of local inhabitants]. However, the following uses may be permissible in this zone—agriculture, horticulture, gardens, pastures, parks, play fields, forestry and salt manufacture from sea water.

- (ii) Development of vacant plots between 200 and 500 metres of High Tide Line in designated areas of CRZ-III with prior approval of Ministry of Environment and Forests (MEF) permitted for construction of hotels/beach resorts for temporary occupation of tourists/visitors subject to the conditions as stipulated in the guidelines at Annexure-II





- (iii)\*[Construction/ reconstruction of dwelling units between 200 and 500 metres of the HTL permitted so long as it is within the ambit of traditional rights and customary uses such as existing fishing villages and gaothans. Building permission for such construction/reconstruction will be subject to the conditions that the total number of dwelling unit shall not be more than twice the number of existing units; total covered area on all floors shall not exceed 33 percent of the plot size; the overall height of construction shall not exceed 9 metres and construction shall not be more than 2 floors (ground floor plus one floor).

Construction is allowed for permissible activities under the notification including facilities essential for such activities. An authority designated by State Government/Union Territory Administration may permit construction of public rain shelters, community toilets, water supply, drainage, sewerage, roads and bridges. The said authority may also permit construction of schools and dispensaries, for local inhabitants of the area, for those Panchayats the major part of which falls within CRZ if no other area is available for construction of such facilities].

- (iv) Reconstruction/alterations of an existing authorised building permitted subject to (i) to (iii) above.

#### CRZ-IV

##### Andaman & Nicobar Islands:

- (i) No New construction of buildings shall be permitted within 200 metres of the
- (ii) The buildings between 200 and 500 metres from the High Tide Line shall not have more than 2 floors (ground floor and first floor), the total covered area on all floors shall not be more than 50 per cent of the plot size and the total height of construction shall not exceed 9 metres;
- (iii) The design and construction of buildings shall be consistent with the surrounding landscape and local architectural style.
- (iv) \*\*[(a) Corals from the beaches and coastal waters shall not be used for construction and other purposes.  
  
(b) Sand may be used from the beaches and coastal waters, only for construction purpose upto the 31st day of March 1990 and thereafter it shall not be used for construction and other purposes.]
- (v) Dredging and underwater blasting in and around coral formations shall not be permitted; and
- (vi) However, in some of the islands, coastal stretches may also be classified into categories CRZ-I or II or III with the 'prior approval of Ministry of Environment and Forests and in such designated stretches, the appropriate regulations given for respective Categories shall apply.

**Lakshadweep and small Islands:**

- (i) For permitting construction of buildings the distance from the High Tide Line shall be decided depending on the size of the islands. This shall be laid down for each island, in consultation with the experts and with approval of the Ministry of Environment & Forests, keeping in view the land use requirements for specific purposes vis-a-vis local conditions including hydrological aspects erosion and ecological sensitivity;
- (ii) The buildings within 500 metres from the HTL shall not have more than 2 floors (ground floor and 1st floor), the total covered area on all floors shall not be more than 50 per cent of the plot size and the total height of construction shall not exceed 9 metres;
- (iii) The design and construction of buildings shall be consistent with the surrounding landscape and local architectural style;
- (iv) Corals and sand from the beaches and coastal waters shall not be used for construction and other purposes,
- (v) Dredging and underwater blasting in and around coral formations shall not be permitted; and
- (vi) However, in some of the islands, coastal stretches may also be classified into categories CRZ-I or II or III, with the prior approval of Ministry of Environment & Forests and in such designated stretches, the appropriate regulations given for respective Categories shall apply.

**Annexure - II**

**Guidelines for Development of Beach Resorts/Hotels in the Designated areas of CRZ III for Temporary Occupation of Tourists/Visitors, with prior approval of the Ministry of Environment & Forests.**

- 7(i) Construction of beach resorts/hotels with prior approval of MEF in the designated areas of CRZ-III for temporary occupation of tourists/visitors shall be subject to the following conditions:
  - (i) The project proponents shall not undertake any construction (including temporary constructions and fencing or such other barriers) within 200 metres (in the landward side) from the High Tide Line and within the area between the Low Tide and High Tide Line;
    - \*\*\*\*[(ia) live fencing and barbed wire fencing with vegetative cover may be allowed around private properties subject to the condition that such fencing shall in no way hamper public access to the beach];
  - (ib) no flattening of sand dunes shall be carried out;
  - (ic) no permanent structures for sports facilities shall be permitted except construction of goal posts, net posts and lamp posts.
  - (id) construction of basements may be allowed subject to the condition that no objection certificate is obtained from the State Ground Water Authority to the effect that such construction will not adversely affect free flow of ground water in that area. The State Ground Water Authority shall take into consideration the guidelines issued by the Central Government before granting such no objection certificate.

*Explanation:*



'Though no construction is allowed in the no development zone for the purposes of calculation of FSI, the area of entire plot including \*\*\*\*\*[50% of] the portion which falls within the no development zone shall be taken into account.

- (ii) The total plot size shall not be less than 0.4 hectares and the total covered area on all floors shall not exceed 33 percent of the plot size i.e. the FSI shall not exceed 0.33. The open area shall be suitably landscaped with appropriate vegetal cover;
- (iii) The construction shall be consistent with the surrounding landscape and local architectural style;
- (iv) The overall height of construction upto highest ridge of the roof shall not exceed 9 metres and the construction shall not be more than 2 floors (ground floor plus one upper floor);
- (v) Ground water shall not be tapped within 200 m of the HTL; within the 200 metres - 500 metres zone, it can be tapped only with the concurrence of the Central/State Ground Water Board;
- (vi) Extraction of sand, leveling or digging of sandy stretches except for structural foundation of building swimming pool shall not be permitted within 500 metres of the High Tide Line;
- (vii) The quality of treated effluents, solid wastes, emissions and noise levels, etc. from the project area must conform to the standards laid down by the competent authorities including the Central/State Pollution Control Board and under the Environment (Protection) Act, 1986;
- (viii) Necessary arrangements for the treatment of the effluents and solid wastes must be made. It must be ensured that the untreated effluents and solid wastes are not discharged into the water or on the beach; and no effluent/solid waste shall be discharged on the beach;
- (ix) To allow public access to the beach, at least a gap of 20 metres width shall be provided between any two hotels/beach resorts; and in no case shall gaps be less than 500 metres apart; and
- (x) If the project involves diversion of forestland for non-forest purposes, clearance as required under the Forest (Conservation) Act, 1980 shall be obtained. The requirements of other Central and State laws as applicable to the project shall be met with.
- (xi) Approval of the State/Union Territory Tourism Department shall be obtained.

- 7(2) In ecologically sensitive areas (such as marine parks, mangroves, coral reefs, breeding and spawning grounds of fish, wildlife habitats and such other areas as may notified by the Central/State Government/Union Territories) construction of beach resorts/hotels shall not be permitted.

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\* Inserted by notification dated 9.7.1997

\*\* Substituted by notification dated 9.7.1997

\*\*\* Inserted by notification dated 31.1.1997

\*\*\*\* Introduced via amendment dated 16.8.1994.

\*\*\*\*\* Entire area of no-development zone allowed as per amending notification dated 16.8.1994.  
Modified by the Supreme Court order dated 18.4.1996 to 50% of no-development zone area.

# Tourism and sustainable development

## Report of the secretary-general of United Nations

(7<sup>th</sup> session, Commission for Sustainable Development, April 1999)

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### I. INTRODUCTION

1. The tourism industry, one of the fastest growing economic sectors in the global economy, has important economic, social, cultural and environmental impacts. Its continuing growth has important implications for the achievement of sustainable development, particularly in small island developing States and tourist destinations with fragile ecological environments. The tourism industry encompasses a large number of different travel-related activities, including, *inter alia*, hospitality enterprises, souvenir and craft businesses, travel agencies, transport enterprises, tour operators and tourist guides. The demand for new forms of tourism is growing in many countries and presents new challenges for the tourism industry, national Governments and the international community.

2. The United Nations and its agencies have addressed the importance of tourism and sustainable development on various occasions. In 1997, the General Assembly at its special session to review the implementation of Agenda 21 (23–28 June 1997) noted the importance of tourism and requested the development of an action plan for tourism. More recently, the Economic and Social Council in its resolution 1998/40 of 30 July 1998, recommended that the General Assembly declare 2002 as the International Year of Ecotourism. It requested a report containing the programmes and activities undertaken by Governments and interested organizations during the year, an assessment of the results achieved in encouraging Ecotourism in developing countries and recommendations to promote Ecotourism within the framework of sustainable development.

3. The present report discusses the interrelated economic, social and environmental issues associated with tourism to arrive at policy options that may be dealt with in an integrated policy framework for the development of sustainable tourism.

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### II. TOURISM AND ECONOMIC DEVELOPMENT

4. In recent decades, tourism in the global economy has grown rapidly, consistently outstripping annual growth rates for world gross national product (GNP), world merchandise exports and world trade in services. As a result, the share of international tourism in global economic activity has risen steadily: in 1997, global tourism activities accounted for about 1.5 per cent of world GNP, 8 per cent of world merchandise exports by value and 35 per cent of the value of world exports of services. One of the major economic impacts of this rapid expansion in international tourism has been significant employment creation: the hotel accommodation sector alone provided around 11.3 million jobs worldwide in 1995. International tourism is expected to continue to grow just as fast in coming decades,

and forecasts indicate that the number of people travelling internationally will increase from 612 million in 1997 to about 1.6 billion by 2020, and that earnings from international tourism will rise from \$443 billion in 1997 to more than \$2 trillion by 2020<sup>1</sup>.

5. The global tourism sector is currently dominated by industrialized economies from which most of the world's tourism flows originate. However, while tourism demand of persons in many of these economies is leveling off, developing economies — particularly the more dynamic emerging economies — have been experiencing an increase in demand for travel, leading to rapid growth in intraregional travel. The economies of East Asia and the Pacific alone accounted for about 15 per cent of global tourist arrivals and nearly 19 per cent of tourist revenues in 1997, up from 11.2 and 14.6 per cent respectively in 1990.<sup>2</sup> Similarly, in Eastern Europe, the Czech Republic, Hungary and Poland have benefited from tourism development under a market economy.

6. A significant proportion of international tourism is intraregional in nature, accounting for roughly 82 per cent of the total in 1997. The geographical proximity of tourist destinations to the most important originating markets is an important factor determining successful exports of tourism services, as the cost of air transport represents a smaller share of overall tourism-related expenditure. However, the cost of air travel in general has declined, and this has facilitated the development of tourist packages to long-haul markets in some developing countries. Some of the new destinations, in particular in Asia and the Pacific and in Africa, are attracting higher income tourists and selling higher value-added services and products<sup>3</sup>.

7. Tourism is the only major sector in international trade in services in which developing countries have consistently had surpluses compared with the rest of the world. Between 1980 and 1996 their positive balance in the travel account rose from \$46 billion to \$65.9 billion, driven by the growth of inbound tourism to countries in Asia and the Pacific and in Africa. The distribution of tourism flows shows a high degree of concentration of arrivals and receipts among and within developing regions. In the Asia and Pacific region, for example, Singapore and Hong Kong, Province of China together received more tourists and earned more from tourism in 1996 than Thailand, Indonesia and South Asia combined. Similarly, Africa, which received nearly three times as many tourist arrivals as Singapore in 1997, managed to earn only about 8 per cent more from tourism than did Singapore<sup>4</sup>. However, despite the impressive overall expansion of their tourism receipts, developing countries accounted for less than 30 per cent of world tourism receipts in 1996<sup>5</sup>.

8. Although tourism activity consists of both domestic and international tourism, with domestic tourism accounting for approximately 80 per cent of all tourism activity, tourism development strategy typically places the primary emphasis upon international tourists, that is, leisure and business travelers crossing international frontiers. This emphasis on international tourism development, however, is understandable, since domestic tourism leads largely to a redistribution of national income while international tourism provides foreign exchange earnings to the destination country.

9. The tourism sector can be a major driving force for economic development in many developing countries because of its large potential multiplier and spillover effects on the rest of the economy. The sector tends to generate a large number of jobs, particularly of the unskilled or semiskilled variety. In some developing countries, particularly those lacking adequate resources, tourism may be the only development alternative available in the short to medium term. In this regard, tourism is often identified as a promising growth sector in small island developing States because it offers an important opportunity for economic diversification, particularly for very small islands.

10. In a number of developing countries where tourism development has been given priority in development planning, the contribution of tourism to GNP, employment and export receipts has, in



recent years, outstripped traditional economic activities such as cash crop agriculture or mineral extraction. As a result, many developing countries and small Island developing States have become more and more dependent on tourism as a major engine for economic development: tourism and tourism-related activities, for instance, now dominate the economies of Antigua and Barbuda, Aruba, the Bahamas, Barbados, Saint Kitts and Nevis, Saint Lucia and Seychelles. In contrast, island tourism development, in many cases, has had a lesser impact on the economies inmost of the African and Pacific small island developing States.

11. The contribution of tourism to income and employment generation can vary significantly between countries. The gross contribution of tourism to national income is diminished by primary leakages of foreign exchange earnings arising from imports of materials and equipment for construction, imports of consumer goods (including food and drink), repatriation of profits earned by foreign investors, overseas promotional expenditures and amortization of external debt incurred in the development of hotels and resorts. In general, income and employment multipliers for tourism tend to be higher in economies where there are well-established local supply networks that ensure that the demands of the tourism sector are more easily met by local suppliers. Where backward linkages between tourism and other sectors of the economy are weak or absent income and employment multipliers from tourism are lower because the potential stimulus to indirect spending is dissipated by increased imports rather than domestic production, as happens with many small island developing states. Given tourism's potential linkages with other economic sectors, its integration into national development plans that highlight the development of intersectoral linkages can encourage the growth of tourism-related activities in the major economic sectors, including agriculture, fishing industry, services and transportation.

12. However, over reliance on tourism, especially mass tourism, carries significant risks to tourism-dependent economies. Economic recession and the impacts of natural disasters such as tropical storms and cyclones can have devastating effects on the tourism sector. In general, the demand for mass tourism is relatively income-elastic and can produce sharp negative responses to economic downturns in source markets. The recent financial turmoil in Asia, for example, triggered a sharp fall in tourism flows to affected countries during 1997 and 1998. Similarly, excessive reliance on a single major source of tourists, as in Cyprus and Malta on. The United Kingdom market links the performance of the tourism sector to the economic fortunes of the source country.

#### A. Economic policy challenges for the tourism industry

13. The private tourism sector, which consists of foreign and domestic enterprises, has a crucial role in tourism development through its investment, production, employment and marketing decisions. The foreign tourism industry consists mainly of large transnational airline, hotel and tour companies, and their corporate objectives can have a profound impact on the economic development of destination areas. Therefore, tourism enterprises should ensure that their investment, employment, operational and other business decisions take full account of the wider implications of such actions for the long-term development and economic sustainability of the destinations in which they operate.

14. Attention to human resources development and training of local workers, for instance, enhances not only the quality of tourism services but also the overall skills and capabilities of the local workforce. In the same way, the utilization of a network of domestic suppliers by foreign tourism businesses can enhance the development and productivity of local suppliers. The development of such linkages can increase the retention of foreign exchange and thereby raise the contribution of tourism to income growth.

the area, as well as to the local community as a whole. Developing countries should consider the various options available for financing tourism infrastructure projects, such as government outlays, financing by multilateral and regional financial institutions, involvement of the private sector through build-operate-transfer schemes and foreign direct investment. The privatization of infrastructure development has been undertaken successfully in a number of developing countries, including Malaysia and Thailand.

20. Given the importance of small and medium enterprises in the tourism industry of both developed and developing countries, it is crucial that policy reforms address this source of entrepreneurial potential. For example, policies should be implemented to promote the access of such enterprises to finance and to strengthen the provision of industrial support services. Moreover, investment policies should encourage linkages among small and medium enterprises. Also, Governments should provide tax incentives and implement deregulation to promote the development and competitiveness of such enterprises in the tourism industry.

21. It is important that the economic benefits of tourism be distributed widely among the host population. One way to do this is to encourage tourism businesses to employ local people and to limit the employment of expatriate labour. In this regard, tourism businesses should be encouraged to train local personnel.

22. Often, employment in the tourism sector is affected by the seasonal pattern of tourism activity that characterizes many destinations that are heavily dependent on tourism: typically there is underutilization of resources (and lower employment opportunities) during the low season and overutilization of resources during the high season. The challenge for national Governments is to identify ways in which tourism activity can be spread more evenly throughout the year. In this regard there is also scope for national Governments to assist tourism organizations of all kinds in assessing and responding to the changing nature of the international demand for tourism, for example by developing alternative forms of tourism.

23. Governments should pay special attention to tourism development and management in coastal areas, which have often relied on tourism as a major source of income and employment. Many such areas are now facing a decline in their established markets. In many instances, a factor contributing to their declining fortunes is poorly planned and poorly managed tourism development in the past, which have impaired the attractiveness of the destination. Coastal tourism is particularly vulnerable in this respect, as it typically involves some of the world's most fragile ecological areas. Since tourism plays a significant role in most small island developing State economies, their national Governments face special challenges to ensure that there is a balance between the heightened demands placed on local resources by tourism and the demands placed upon them by other economic activities and by host communities. To the extent possible, small island developing States and other developing countries should strive to diversify their national economy in order to reduce dependency on tourism as a source of income, employment and foreign exchange earnings.

### C. Economic policy challenges for the international community

24. In view of the projected rapid growth in international tourism, there is a need for concerted international action. If the economic benefits of tourism are to be experienced more widely throughout the world, it is important to explore ways to increase participation in international travel, especially by those living in developing countries. This should involve efforts to reduce or even remove tariff-like barriers to international travel. For example, differential exit taxes on residents and visitors serve to



15. The domestic tourism sector is largely made up of small and medium-sized tourism firms, which, unlike large firms, are often family-run businesses. These small and medium enterprises face diverse problems and challenges in adapting themselves to new international trends and need to develop strategies based on various market niches and specific segments that enable them to develop new products. When such firms create their own products they can operate on a more cost-effective basis and yet offer more personalized service because of their greater knowledge of their clients' needs, likes and travelling preferences. However, in order to do this, small and medium enterprises require proper planning and market research to redefine and adjust marketing strategies for selling their products. Moreover, those businesses, particularly travel agencies, need to keep abreast of advances in informatics in order to compete successfully with large domestic and foreign tourism enterprises.

### *B. Economic policy challenges for national Governments*

16. In order to advance tourism development, national Governments need to implement policies that will encourage the domestic tourism industry and attract foreign direct investment and relevant technologies. Those policies should ensure that tourism is properly planned and managed so as to minimize its adverse economic, social, cultural and environmental impacts. Therefore, appropriate attention and priority should be attached to tourism in development planning in order to integrate and coordinate tourism policies with the policies of other government agencies so that tourism develops in harmony with overall economic, social and environmental goals. Governments should also consult widely with host communities and concerned major groups to ensure that as broad a range of views as possible is incorporated into the planning process of tourism development. It is also important, in this regard, that Governments undertake capacity-building to promote partnerships and enhance dialogue with all major groups in society.

17. In order to promote tourism and successfully compete with other countries, Governments should ensure that their immigration regulations facilitate the inflow of tourists and people involved in supplying tourism services. In addition, market liberalization and the promotion of consumer (tourist) interests, such as safety and facilitation of travel and the easing of foreign currency regulations, should be key areas of attention for Governments. Indeed, liberalization will lead to greater travel exchange between countries.

18. For most developing countries and economies in transition, foreign direct investment is important for tourism development as it provides an important source of capital, new technologies, organization and management methods and access to markets. Such investment can be attracted and maintained by a stable policy environment that promotes confidence among foreign investors in the economy. To promote the tourism industries, Governments should review the fiscal treatment of the tourism sector and undertake necessary fiscal reform to foster its growth and development. It is also important that Governments develop and apply effective competition policy in the tourism and related sectors by, *inter alia*, prohibiting anti-competitive clauses such as exclusive dealing, import requirements in franchising contracts and the abuse of dominance in air travel.

19. The lack of an adequate tourism infrastructure is a serious obstacle to tourism development in all countries. In particular, the long planning and construction time involved in infrastructure development, as well as the difficulties of funding very costly infrastructure projects can create critical bottlenecks for international travel and tourism growth. When undertaking the development of major infrastructures, such as road networks or water supply systems, national Governments have to ensure that they cater not only to the needs of the tourism sector, but also to the needs of other industries in



discourage foreign travel by residents, while travel allowance restrictions not only discourage foreign travel but also limit residents' spending potential while abroad.

25. Further liberalization commitments on trade in tourism should be negotiated under the General Agreement on Trade in Services (GATS), and an annex on tourism services may be required, comprising, *inter alia*, regulatory issues such as definitions, competitive safeguards, access to information, fair and transparent use of global distribution systems, linkages between tourism and air transport and security conditions for service contracts. Furthermore, the relevant provisions of GATS should be fully implemented, or, if necessary, new provisions should be developed, to prevent unfair competition arising from discriminatory practices in the issuance of visas to tourists that favour certain tour operators and travel agents. Articles IV and XIX of GATS should be effectively applied to the tourism sector through the adoption of measures that foster greater participation by developing countries in international trade in tourism services. The problems of air access of developing countries, particularly the least developed countries, need to be addressed with a view to securing a fair treatment of those countries. Technical assistance should be provided to developing countries, in particular least developed countries, both at the governmental and business levels, in preparing for negotiations in such forums relating to trade and development in tourism and related services<sup>5</sup>.

26. International organizations and donor countries should also increase their efforts in training and capacity-building in the field of tourism in developing countries, including the effective use of computer reservation systems, global distribution systems and the Internet to maximize their earnings from tourism and to meet international standards. Studies should be carried out on specific issues of interest to developing countries, such as leakages of foreign exchange earnings from the tourism sector, the impact of all-inclusive tours on the financial sustainability of the tourism sector in developing countries and the development of a model strategy for integrating local communities into the formulation, implementation and management of tourism projects.

27. In the area of infrastructure development, the international community already plays an important role by providing funding for tourism-related projects. These funding agencies include, for example, the various World Bank affiliates and United Nations agencies such as the United Nations Development Programme. Other international organizations, including the World Trade Organization, are often involved as executing agencies for the provision of technical assistance. Multilateral and regional financing institutions should give high priority to appropriate strategies for the environmentally and financially sustainable development of tourism and related sectors, in particular for financing infrastructure projects, the provision of modern telecommunications services under pro-competitive regulatory regimes and human resource development activities.

28. There are problems with the measurement of tourism activity that limit regional and world aggregations and make international comparability difficult: there is no universally accepted definition, although there are internationally recognized definitions of the various categories of tourists. In this regard, national tourism agencies and the statistical offices of all countries should adopt the definitions on tourism statistics as approved by the United Nations Statistical Commission in 1993. In addition there is no agreed way of measuring the output from and impacts of tourism and its relationships with other economic sectors. Some progress will be made in this respect when the draft of a tourism satellite account is tabled at the World Conference on the Measurement of the Economic Impact of Tourism, to be convened in 1999. Countries should support this initiative, as the acceptance and implementation of a uniform system of tourism accounting measures would provide a clear measurement of the role of the tourism sector in economic development and trade. Such a system could then be used in international negotiations on services, for which adequate statistics and policy analysis are a necessary prerequisite.

### III. TOURISM AND SOCIAL DEVELOPMENT

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29. International tourism can introduce significant social and cultural change in host destinations. While it is acknowledged that economic development is, in itself, an important change agent in society, the role of tourism has received special attention in this regard largely because of the high visibility of tourists and their direct economic, social and cultural interactions with host communities. Tourism can promote social development through its impact on employment creation, income redistribution and poverty alleviation. Also, the improvements in physical and social infrastructure that usually accompany tourism development often spill over into the rest of the economy, leading to more widespread social improvements, for example, in health and social welfare.

30. At the same time, tourism development can promote negative social and cultural change as a result of economic development or a social demonstration effect when local residents imitate what foreign visitors do, wear and eat. For example, employment that requires shift work can disrupt family life and religious observance. Other negative social costs, such as drug abuse, child labour and prostitution, not only have an impact on the local population, but may also damage the image of the destination itself. However, it is important to note that many negative social changes often attributed to tourism could just as easily have been the result of modernization, in particular the development and diffusion of media and mass communications.

31. In many instances, much of the impact of tourism activity is localized: host communities suffer the effects of overcrowding pressure on resources and challenges to established culture, including negative changes in the patterns of religious observance, dress, behavioral norms and traditions from interaction with non-indigenous cultures. The intensity of these social impacts depends on factors such as the type and rate of tourism growth, the ratio of visitors to the resident community, seasonal trends and the sociocultural resilience of the host community, but may be magnified in locations where tourist arrival numbers have increased rapidly or where the ratio of tourist arrivals to local population is high. In general, such social costs and pressures may be less onerous when residents actually receive economic and financial benefits from local tourism activity. In the absence of such recompense, host communities may resent and possibly turn hostile towards tourists.

32. A high level of tourism activity can unwittingly encourage over-commercialization, which can cheapen or even destroy local customs and traditions. For instance, when local arts and crafts and cultural practices are adapted to suit foreign tastes, the result can be poor quality handicrafts, unethical trading practices and fake "antiques", as well as the deterioration of cultural dances, music and festivals. Cultural deterioration of a more serious nature may occur when historic sites and buildings are unprotected and the traditionally built environment is replaced or virtually disappears.

33. To mitigate these social and cultural costs, an important consideration in sustainable tourism development is the tourist carrying capacity of host destinations in both environmental and social terms. The concept of carrying capacity should adequately reflect the ability of a local community to absorb tourists without submerging or overwhelming the local culture. This is usually a difficult balance to achieve, but without careful consideration of the sociocultural carrying capacity of a community or area, irretrievable cultural deterioration and loss of cultural patrimony may result; ironically, the very success that national tourism agencies achieve in increasing visitor numbers can actually induce long-term problems that diminish the sustainability of tourist destinations.

34. However, tourism development can help host communities to reclaim their cultural patrimony by providing them with the necessary financial incentives to invest in, promote and preserve their local

customs and cultures. With proper management and promotion, local cultures can be given an impetus by the presence of tourists. In many host countries, tourism development has contributed to the revival of native crafts and festivals, which can promote traditional handicraft industries and provide enhanced employment opportunities, particularly for women.

#### A. Social policy challenges for the tourism industry

35. The major challenge facing the tourism industry is to contribute to social development objectives through greater compliance with core labour standards, attention to worker welfare and human resource development and more corporate social initiatives. Although Governments can and do legislate on matters such as health and, safety at work, health insurance and pensions, minimum wages and employment of women and young people, the tourism industry needs to address these issues and take concrete steps, be it in the form of better compliance or voluntary initiatives, to ensure that workers and host communities receive social as well as economic benefits from tourism development. In this regard, the tourism industry needs to ensure that special attention is given to those issues that are specific to or are more pronounced in the tourism sector.

36. Over the past two decades, tourism has become a major source of employment and income in many developing countries. The evidence indicates that in both developed and developing countries, most workers in the tourism industry are in either unskilled or low-skilled jobs, which offer low wages, seasonal employment and irregular working hours. The tourism industry needs to address how working conditions can be improved to provide greater job security and improved human resource development. Clearly, discussion on conditions of work should involve a more direct dialogue between employers and employee representatives, and there should be a greater role for employees in the formulation and implementation of company policies. The private sector and workers' organizations should support the International Labour Organization process of tripartite cooperation as a means of promoting the participation of employers' and workers organizations.

37. Another significant feature of employment in the tourism sector is the high proportion of women and young people in the workforce. In many situations, women and children can be seriously disadvantaged, discriminated against or exploited in the workplace. In particular, sex tourism, prostitution (with the related problem of HIV/AIDS) and child labour (including the commercial sexual exploitation of children) are issues of serious concern.

38. Tourism enterprises should take steps to put an immediate stop to intolerable forms of child labour. One way to do this is to develop codes of conduct among enterprises in order to prevent child labour and promote compliance with national legislation on child labour. Since poverty is major factor determining child labour and exploitation, tourism enterprises should support activities that provide employable skills to children at an employable age and to their families, and implement innovative programmes to ensure adequate and full employment of breadwinners. Within their organizations they can also implement responsible tourism marketing and advertisement and create awareness among tourism personnel on the rights of women and children.

39. To its credit, the tourism industry has taken important first steps to confront these serious problems. With regard to child labour and sex tourism, for example, the International Confederation of Free Trade Unions launched a global campaign in 1994 to eliminate child labour, while the International Organization of Employers in 1996 resolved to end slave-like, bonded and dangerous forms of child labour and to develop suitable action plans at the international, national, industry and enterprise levels. In addition, tourist agencies, hotels and air carriers are beginning to take direct action against sex

tourism: the Universal Federation of Travel Agents' Associations, for example, has committed itself to combating child sex tourism with the adoption of its Child and Travel Agent Charter in 1994. The World Tourism Organization established the Tourism and Child Prostitution Watch in 1996 to encourage self-regulation in the tourism industry by increasing awareness of the problems of sexual exploitation in tourism and by collecting information on sex tourism and measures that have been successful in stopping it.

40. The tourism industry also has to address the concerns of communities in which they carry out their businesses. Given the potential social and cultural impact of tourism on local populations, particularly in the more remote and isolated locations favoured by the newer forms of tourism such as nature or ecotourism, the private sector needs to invite and nurture host community participation in the tourism development process. Without host community acceptance of the type and scale of tourism, antagonism towards tourists and tourism can threaten overall development and sustainability objectives.

41. Tourism enterprises can also play a useful role in the promotion of education to both tourists and the host community to improve cultural awareness in order to minimize the social impact of tourism. Airlines, for example, have the opportunity, through in-flight videos and publications, to inform passengers about the cultural sensitivities of host communities. Moreover, the tourism industry can play an important role in raising awareness among tourists about the serious issues of child labour, particularly their commercial sexual exploitation. The tourism industry already possesses codes of conduct that provide guidelines for tourism enterprises and host communities, which should be more widely adopted and applied.

#### *B. Social policy challenges for national Governments*

42. Governments have an important role in maximizing the benefits of tourism and limiting its negative impacts on society. As such, they have to direct their policies towards development of human resources, alleviation of poverty, improvement of social security, correction of gender and income disparities and promotion of core labour standards. Towards this end, a coordinated policy approach involving Governments, the private sector, non-governmental organizations, trade unions, host communities and international agencies is necessary to guarantee the achievement of social development objectives through tourism development.

43. The employment created through tourism development can play a significant role in the alleviation of poverty, and government efforts to stimulate employment growth must emphasize the development of linkages between the tourism sector and the local support industries. Since many of the local tourism firms are likely to be small enterprises, Governments should ensure that their policy and regulatory environments support small and medium enterprises by improving their access to markets, sources of information, training and credit. In this regard, due consideration should also be given to providing economic and social opportunities for wider participation and, wherever possible and acceptable, dispersing tourism activities to outlying areas in order to increase rural incomes. Attention should also be directed to the seasonal nature of employment in many tourist destinations with the aim of creating alternative employment opportunities during the low season, including the provision of job security and social safety nets.

44. Among the social problems related to tourism development in developing countries are the lack of indigenous senior managers and the preponderance of low-skilled or unskilled employment in the tourism sector. One way to address these problems is for national Governments to work in partnership

with the tourism industry and civil society to strengthen secondary, vocational and advanced education to ensure that the developmental needs of society as well as the specific needs of the tourism sector are met.

45. It is crucial that tourism development planning preserves the legacy, heritage and integrity of tourism destinations and respects the social and cultural norms of society, particularly among the indigenous communities. To this end, there is a need to control the rate of growth of the tourism sector where it may jeopardize local communities and social values. The point of contact between visitor and host is potentially the most important source of negative social and cultural impacts, and it is necessary to try to eradicate potential areas of misunderstanding and friction. Some of the major pressures on the sociocultural fabric of host economies occur when the growth in visitor arrivals is too rapid and when there is unrestricted access to culturally fragile areas. Therefore, there is a significant role for the local community in deciding what it is prepared to offer, how its cultural patrimony is to be presented and which, if any aspects of the culture are off-limits to visitors.

46. In this regard, tourism community awareness campaigns are now generally being advocated in tourism development planning to inform people of the benefits to be gained from tourism development. Informing the community should be a continuing process and should be a responsibility of the national tourism agencies, private sector association and community representatives. In order to stimulate cultural awareness, Governments should work closely with communities and the private sector to ensure that available funding for tourism development is used effectively and efficiently. Therefore, there should be support for greater involvement of communities in the planning, implementation, monitoring and evaluation process of tourism policies, programmes and projects. Feelings of alienation and exploitation may arise where local communities are not involved in tourism development planning.

47. Ultimately, community participation has to be linked to community benefits. Without the transference of some of the benefits from tourism to local communities through the creation of jobs, entrepreneurial opportunities and social benefits, efforts to promote community participation may be ineffective. The Communal Areas Management Programme for Indigenous Resources project in Zimbabwe and the Administrative Management Design for Game Management Areas project in Zambia are good illustrations of how community involvement in tourism — in this case in anti-poaching activities — has provided financial benefits and incentives to the participating communities while promoting environmentally sustainable tourism. The game management project actively involves local communities in conservation and reinvests money raised from park entry and safari fees in community development and local wildlife management.

48. More needs to be done to spread the lessons and examples of good business practices in the tourism sector and to provide incentives that contribute to social development. Governments should encourage the wider use of voluntary initiatives on the part of industry in both the formal and informal sectors. Indeed, these voluntary initiatives reflect growing corporate recognition and commitment to its social responsibilities.

### C. Social policy challenges for the international community

49. The international community faces the challenge of promoting the interests of both host communities and tourists. International cooperation to advance social development objectives in the tourism sector should be built on the foundations established at the World Summit for Social Development and countries' commitments expressed in the Copenhagen Declaration on Social Development<sup>6</sup>. The tourism sector, which is forecast to provide rapid growth in productive employment over the next two decades, can be a major contributor to the achievement of many of these goals for

social development if it complies with core standards and other standards related to working conditions, occupational safety and health and social security.

50. At the same time, the international efforts to encourage the observance of these standards should go hand in hand with appropriate technical and financial assistance to countries at lower levels of development that are striving to benefit more fully from rapidly growing tourism. In order to enable these countries to develop competitive tourism sectors without compromising on labour standards, technical cooperation may be required to help tourism firms and small enterprises, particularly in low-income countries, attain this goal.

51. The international community can enhance and strengthen international coordination and monitoring systems through liaison and networking among Governments, the private sector and concerned parties with a view to promoting the positive aspects and minimizing the negative impacts of tourism. In this regard, the Manila Declaration on Social Aspects of Tourism, issued in 1997, will be of great relevance and can provide the basis for international action and cooperation. National Governments, together with the private sector and stakeholders, should be encouraged to work towards the formulation and eventual adoption of a global code of ethics for tourism as recommended in the Manila Declaration. Tourism development in small island developing States and coastal areas should continue to receive special international support. In the case of small island developing States, there should be continued international support for activities pertaining to sustainable tourism under the Programme of Action for Small Island Developing States.

52. The international community should further mobilize international support to prevent and control tourism-related abuse and exploitation of people, particularly women and children and other disadvantaged groups. The World Congress against Commercial Sexual Exploitation of Children, held in Stockholm in 1996, adopted a programme of action designed to contribute to the global effort to suppress child sex exploitation. In 1997, the Amsterdam Child Labour Conference issued the Amsterdam Declaration, which addressed the most intolerable forms of child labour, while in the same year the International Conference on Child Labour issued the Oslo Declaration, which addressed the issue of practical action to eliminate child labour. Governments, the tourism industry, trade unions and stakeholders should support these international efforts to end such practices in the tourism sector.

#### **IV. TOURISM AND ENVIRONMENTAL PROTECTION**

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53. The projected sustained growth of the tourism industry will present serious challenges to environmental protection. In general, the tourism industry produces adverse environmental impacts through its consumption of resources, the pollution and waste generated by the development of tourism infrastructure and facilities, transportation and tourist activities. In the absence of proper planning and management, tourism development can create strong competition for the use of land between tourism and other competing uses, leading to rising prices for land and increased pressure to build on agricultural land. Furthermore, indiscriminate tourism development can encourage intensive or inappropriate use of land, which can cause deforestation, soil erosion and loss of biological diversity. Intensive human interference with vegetation and wildlife through tourism can undermine or destroy traditional activities such as fishing and, perhaps more importantly, cause irreversible damage to valuable ecosystems. The growing market for ecotourism or nature tourism is another area of concern. If not properly planned and managed, such new forms of tourism can threaten the world's most ecologically fragile areas, including parks and natural world heritage sites. Important sustainability considerations also arise from tourism's use of the built environment, for example through "heritage tourism", which

can cause, *inter alia*, urban problems such as traffic congestion experienced by many historical city centres.

54. Coastal area development for tourism is an issue of particular concern. The unchecked construction of tourism facilities can despoil the pristine beauty of these areas and erosion from tourism facilities and infrastructures built too close to the coast can contribute to beach destruction and coastal degradation. Practices such as intensive sand mining for tourism-related construction — a feature of many coastal areas — have been responsible for beach destruction; in coastal areas where coral reefs have been destroyed by sewage and other pollution such beach destruction is unlikely to be replenished naturally.

55. The treatment and disposal of liquid and solid wastes generated by the tourism industry is another serious problem, particularly for less developed economies that lack the physical infrastructure or capacity to treat the additional wastes generated by tourism activities. In the Caribbean, the growing frequency of tourist cruise ships is generating increasing volumes of liquid and solid wastes for disposal at the ports of call. Where untreated effluents are disposed into surrounding areas of land and sea, the result often is the pollution of scarce inland freshwater resources, the loss of valuable marine life, the destruction of coral reefs and the silting and erosion of coastal beaches. Pollution from ship-generated wastes is a major concern for small island developing States, where the dumping of oily waste, sewage, garbage and cargo residues by passing cruise and merchant ships can cause marine and beach pollution.

56. Fresh water remains a pressing concern, and the provision of fresh water to meet growing demand from agriculture, industry and households is becoming increasingly difficult in more and more economies. The tourism industry is an extremely intensive user of fresh water and, as the industry expands globally, the problem of freshwater supply is likely to worsen. Moreover, this situation is compounded in many areas where water pollution not only damages tourism sites but also contaminates the freshwater supply. In addition, air pollution is likely to worsen at the local and global levels from increased carbon dioxide emissions related to energy use in tourism-related transportation and in air-conditioning and heating of tourism facilities.

57. Ironically, damage to the environment threatens the very viability of the tourism industry because it depends heavily on the natural environment — its beaches and mountains, rivers, forests and biodiversity — as a basic resource. For example, island tourism is climate-sensitive and is vulnerable to a rise in the sea level that would cause the inundation of coastal and some inland areas, threatening sanitation systems and freshwater supplies. The attractiveness of certain locations as tourist destinations has also been affected by damage to the natural landscape and the loss of biodiversity linked to human activities. Local air and noise pollution linked to urban congestion can also serve to deter tourists from visiting some destinations.

58. However, tourism can also significantly contribute to environmental protection, the conservation of biodiversity and the sustainable use of natural resources. For example the tourism industry can protect and rehabilitate its natural assets, such as parks, protected areas and cultural and natural sites, by its financial contributions, provision of environmental infrastructure and improved environmental management. Tourism can also help to raise the awareness of the local population to the financial and intrinsic value of natural and cultural sites, motivating communities to reclaim their natural and cultural patrimony through environmental protection and conservation.



#### A. Environmental policy challenges for the tourism industry

59. The central challenge for the tourism industry is to transform itself, in all its forms, into a sustainable activity by reorienting corporate philosophy, practice and ethics to promote sustainable development through, *inter alia*, better environmental management and practices and close partnerships with Government and civil society.

60. It is vital that the tourism industry involves all stakeholders — customers, staff, trading partners and the host community — in decision-making. To this end, it should develop partnerships with the host community, Governments and their agencies, other private sector companies and international organizations in order to enhance the prospects for bringing about the sustainable development of tourism.

61. Tourism enterprises, both large and small, should integrate environmental management systems and procedures into all aspects of corporate activity in order to reorient their management at all levels towards sustainable development. This fundamental reorientation of management philosophy and practice will necessitate the implementation of, *inter alia*, environmental and social audits, life cycle assessments and training of staff in the principles and practices of sustainable tourism management. In terms of operational changes, tourism enterprises should take all appropriate measures to minimize all forms of waste, conserve energy and freshwater resources and control harmful emissions to the environment. Furthermore, tourism enterprises should plan and manage their operations to minimize the potential environmental impacts from tourism development, such as using local materials and technologies appropriate to local conditions. The tourism industry should promote wider implementation of environmental management, particularly in the many small and medium sized enterprises that form the backbone of the tourism industry.

62. The tourism industry, by modifying the products it develops and offers the public, can directly influence the nature of tourism itself towards sustainable forms of tourism. In this regard, marketing is an important tool in the tourism industry that should be used to enhance the industry's initiatives for promoting sustainable development by, *inter alia*, raising awareness among their clients of the potential environmental and social impacts of their holidays and of responsible behaviour. The tourism industry is also increasingly interested in eco-labels as a means of promoting their facilities and destinations. But even within existing forms of tourism, businesses in the tourism industry can change their methods of production and delivery to achieve this end. In general, businesses in the tourism sector have a vested interest in maintaining the environmental and sociocultural resources of destination areas that represent their core business assets. Therefore, sustainability of tourism is a challenge to all tourism enterprises, regardless of their size or market orientation, and is not limited to certain niche markets such as ecotourism.

63. An important way in which tourism can achieve the target of sustainability is through self-regulation and voluntary initiatives. In response to the call for action on environmental protection, the tourism industry has developed a number of environmental codes of conduct and voluntary initiatives. In this regard, the environmental guidelines developed by the World Travel and Tourism Council (WTTC) is especially relevant for the attainment of sustainability in the tourism industry. Furthermore, a number of innovative programmes and industry awards have been introduced with the aim of promoting and improving environmental management and practices in the tourism industry.

64. WTTC, for example, conducts an environmental management programme for travel and tourism companies and tourism destinations called Green Globe. Launched in 1994, this programme aspires to

raise the level of environmental awareness and to provide a low-cost practical means for companies within the industry to undertake improvements in environmental practice. Members of the programme are committed at the chief executive officer level to improving environmental practice in priority action areas through their adherence to Green Globe or equivalent industry guidelines. The programme also bestows annual achievement awards on member companies that demonstrate outstanding commitment to improving environmental practices. Green Globe members can also earn a certificate of performance based on independent verification of improvements in environmental practice through the Société Générale de Surveillance S.A.

65. Another innovative programme is the International Hotel Environment Initiative (IHEI), established in 1992 by the Prince of Wales Business Leaders Forum to promote environmental management in the hotel industry. Led by council of 12 of the top hotel companies in the world, IKEI promotes the business benefits of environmental management within the international hotel community develops hotel-specific environmental training materials publishes a quarterly magazine, *Green Hotelier*, dedicated to environmental issues and promotes greater awareness of IKEI "best practice" programmes. A local chapter, the Asia Pacific Hotels Environment Initiative, operates in the Asia Pacific region. IHEI is developing guidelines for the siting and design of hotels.

66. The Blue Flag programme, which now extends to 18 countries in Europe, was first conceived in France in 1985 as an incentive to protect and improve the quality of beaches and coasts. Under this programme, environmental standards are assessed at individual beaches in Europe by measuring compliance with acceptable concentrations of range of pollutants on beaches and in marinas to ensure clean bathing water. Beaches are also judged by their compliance with guidelines pertaining to litter management, toilet facilities, life saving and first-aid equipment, the separation of different recreational activities from each other and from sensitive natural areas, as well as environmental education and activities. Beaches that meet these stringent criteria receive Blue Flag awards that attest to the quality of their maintenance and environmental protection. The success of the programme has inspired the Foundation for Environmental Education in Europe, in collaboration with the United Nations Environment Programme (UNEP) and the World Tourism Organization, to extend the award to non-European countries as well.

67. Despite the well-intentioned and noteworthy initiatives of the tourism industry to improve its standards of environmental management and protection, there is plenty of room for additional efforts. In particular, if the codes of conduct and voluntary initiatives are to achieve their full impact on environmental protection, the tourism industry must act to ensure that those instruments are adopted and implemented by all tourism enterprises. Furthermore, these industry initiatives need to be monitored, assessed and reported to reflect their progress in attaining the objectives of sustainable development in general and of environmental protection in particular.

#### B. Environmental policy challenges for national Governments

68. Governments face the challenge of promoting tourism development in a manner that will maximize the positive influence of tourism on economic and social development as well as environmental objectives, while minimizing its negative impact on the natural environment. An appropriate balance needs to be established between the goals of sustainable tourism development and environmental protection; in particular, the development of sustainable tourism should not impede or diminish sustainability in other sectors of the economy nor, by the same token, should unsustainable practices in related economic sectors (such as agriculture or mineral extraction) limit the potential for tourism to become more sustainable. In order to achieve this, high priority should be assigned to the integration of

policies for tourism development with environmental protection. Within this integrated policy framework, it will be necessary for regulatory policies and systems of economic incentives and disincentives to be reviewed to ensure those clear environmental goals and objectives are set for the tourism industry. Policy makers should also address the need for capacity-building as well as environmental monitoring and data collection to support the efforts of the tourism industry and civil society to improve environmental protection.

69. The quest for sustainable tourism will require change on the part of all major groups involved in tourism. Therefore, the overarching objective for national Governments must be to develop policy frameworks that will enable and encourage those changes. In this regard, an important area of action for Governments is to develop national strategies or master plans for tourism that will provide focus and direction to all stakeholders. These strategies and master plans need to be complemented and supported by appropriate regulatory mechanisms and tools to deal with environmental assessment, building regulations and environmental standards for tourism. Governments should ensure that all environmental regulations and environmental policy measures are applied to all businesses in the tourism sector, regardless of size or type of tourism activity. It is important that all Governments that have not already done so give due consideration to the ratification and implementation of international and regional environmental conventions, particularly those relating to tourism activities.

70. Tourism, in particular mass tourism, should be regulated and, where necessary, prohibited in ecologically and culturally sensitive areas. Also, in protected areas and where nature is particularly diverse, vulnerable and attractive, tourism should be permitted only when it meets the requirements of nature protection and biological diversity conservation. In coastal areas where tourism can impose serious environmental damage, Governments should fully implement the principles of integrated coastal area management. Environmental impact studies are an important tool for sustainable development and should be undertaken in the preoperative stage. However, where tourism activities can contribute to environmental conservation, they should be encouraged and promoted.

71. The continued strong growth in tourism is expected to increase the volume of travel related to tourism in all forms. A major environmental implication of this trend is that, if unchecked, it will lead to increases in the level of emissions, waste and pollution resulting from tourism-related transportation. In particular, Governments should pay special attention to negative environmental impacts of road and air traffic and take steps to ensure that tourism development incorporates environmentally friendly modes of transport. In this regard, a mix of economic, technological and management approaches may be useful. For instance, consumption patterns can be influenced through appropriate marketing, pricing and consumer education, or new forms of tourism can be developed.

72. The use of economic instruments to promote sustainable tourism should be extended further. It is clear that environmental performance in the tourism industry can be improved by a judicious mix of instruments, comprising both incentives and direct regulation that facilitate innovation and complement economic policies. In general, existing economic incentives that encourage environmentally unfriendly activities should be removed. The full costing and pricing of energy and water, in particular, can promote eco-efficiency in the tourism industry as well as provide additional revenue that can be used to support improved management of those resources. In this regard, the user-pays principle is appropriate and should be more widely applied and supported. The role of the banking and insurance sectors in sustainable tourism should be developed and encouraged. In particular, banks and insurance companies can promote sustainable tourism by advocating policies that incorporate environmental and social criteria into assessment procedures for loans, investments and insurance. They could help finance environmentally sound technologies and provide incentives for sustainable tourism.

73. The promotion of partnerships among all stakeholders is vital to the attainment of sustainable tourism, and Governments can play an important role by encouraging, supporting and facilitating the involvement and commitment of all stakeholders, especially indigenous and local communities, in the planning, development and management of tourism. The development of such participatory approaches can also encourage and promote responsible practices among businesses, host communities and tourists, for example, through the development of codes of conduct, guidelines and voluntary initiatives in support of sustainable development.

74. It is important to raise public awareness about sustainable tourism and to encourage more responsible behaviour. Often, if tourists are given opportunities to learn about the culture and environment of the host community prior to their visit, they behave more responsibly. Local communities and businesses also benefit from awareness-raising activities that alert them to the environmental impact of their activities and interactions with tourists. It is important, therefore, to ensure that sustainability issues are fully integrated into courses at all levels of education in order to develop environmental awareness and the skills required to promote sustainable tourism. In order to ensure that sustainable tourism becomes the concern of the whole industry, it is necessary for Governments to work in partnership with the tourism industry to develop training programmes and networks to exchange training materials dealing with environmental protection. In addition, non-governmental organizations have made important contributions to raising community awareness of environmental and sustainability issues, and such activities should be supported.

75. In view of the fact that many tourism activities and their impacts are highly localized, it is necessary to promote capacity building among local government entities. Already, in many countries local governments have important responsibilities for tourism development and management, and capacity-building programmes will enable them to better understand these responsibilities with respect to sustainable tourism.

76. There is a need to improve the monitoring and reporting of industry's progress towards the objective of sustainable tourism. The Government should encourage the tourism industry to use participatory approaches involving all stakeholders to develop the monitoring and public reporting of its activities, particularly with regard to their compliance with unenforceable codes of conduct and voluntary initiatives. At the same time, local and central governments should enhance their capacity to monitor the performance of the tourism industry and to develop suitable indicators that can be used in their decision-making.

77. Governments should fully support and promote the voluntary initiatives of the tourism industry and encourage the dissemination of best practices within the business and local community. Incentives, including the award of prizes, certificates and eco-labels for sustainable tourism, should be used to encourage the private sector to meet its responsibilities for achieving sustainable tourism. The success of the Blue Flag programme in Europe is a good example of the practical contribution of such an approach.

### C. Environmental policy challenges for the international community

78. The major challenge facing the international community is to assist Governments, especially those of developing countries, to promote tourism development within the framework of sustainable development in order to maximize the potential economic and social benefits from tourism without damaging the environment or cultural assets.

79. The predicted growth in international tourism raises fresh concerns about the impact of tourism development on the environment. In the absence of adequate measures, it is likely that the projected increase in the volume of international tourism will generate outcomes, such as increases in air, sea and land transportation that can harm the environment. Thus, the major challenge facing the international community are to deal with the negative trans-boundary and global impacts of tourism on the environment and to support the efforts of countries, particularly developing countries, to improve the environmental sustainability of their tourism industries at the national level. Therefore, policy coordination and cooperation at the international level is needed to address the global environmental impacts of tourism, as well as issues of biological diversity, coastal area management and ecotourism.

80. The international community has already taken important steps through the development of international, regional and multilateral agreements and guidelines that address the issue of sustainable tourism. However, these now need to be effectively translated into practical programmes for implementation by the tourism industry, Governments and civil society. Of particular importance to the environmental sustainability of tourism are the Convention on Biological Diversity, the Berlin Declaration on Biological Diversity and Sustainable Tourism, the Male Declaration on Sustainable Tourism Development, the Declaration of San Jose, the Charter for Sustainable Tourism, the World Heritage Convention and *Agenda 21 for the Travel and Tourism Industry*<sup>6</sup>. Furthermore, at the regional level, it is important to take account of the recommendations on the sustainable development of tourism in the eastern African States and the Council of Europe's recommendations on a general policy for sustainable and environmentally friendly tourism development. In addition, there is ongoing work to develop global guidelines on biological diversity and sustainable tourism in the Convention on Biological Diversity, and principles for the implementation of sustainable tourism in UNEP. In this regard, the international community has an important role to play in developing a set of internationally recognized reporting standards as well as external monitoring and accreditation systems for assessing the sustainability of tourism services.

81. The international community also has an important role in assisting developing countries, in particular the least developed countries, economies in transition and small island developing States, through the provision of financial and technical assistance to governments at all levels, to develop a range of meaningful and effective planning guidelines, codes of good practice, regulatory frameworks and policy provisions aimed at achieving sustainable tourism. Such assistance is crucial, *inter alia*, for the development of integrated national tourism policies and master plans, capacity building, development of tourism infrastructure and the promotion of sustainable planning and management of tourism. It should also be used to develop techniques and frameworks for assessing the environmental and social impacts of tourism at the national, regional and local levels, and to promote the use of integrated environmental management and social responsibility programmes for sustainable tourism. At the same time, the international community should support the development of inventories of tourism activities and attractions that take into account the impact of tourism on ecosystems and biological diversity. In this regard, technical, and scientific cooperation should be established through the clearing-house mechanism of the Convention on Biodiversity.

82. A further challenge for the international community is to help countries, especially developing countries, to progressively raise environmental standards and to adopt technologies that enhance environmental protection without unduly reducing the international competitive position of tourism enterprises. In this regard, tourism activities that employ environmentally sound technologies to save water and energy, prevent pollution, treat wastewater, minimize solid waste production and encourage recycling should be promoted to the fullest extent. Similarly, tourism activities that encourage the use of public and non-motorized transport should be supported. The international community will have to

strengthen development cooperation to make tourism development more environmentally sustainable, while emphasizing financial support and measures to accelerate the transfer of environmentally sound technology. Steps should be taken to facilitate the international exchange of information, experience and technical skills, especially between the developed and developing countries.

83. Regional cooperation is an important modality for promoting the development of sustainable tourism and should be supported because it opens up opportunities for regional collaboration in such areas as tourism development planning, market development and promotion, strengthening and expansion of the roles of national and regional tourism institutions and organs and training and manpower development. In recent years, various efforts have been made to forge common regional approaches to the promotion of sustainable tourism development. For example, the Economic and Social Commission for Asia and the Pacific has endorsed a plan of action for sustainable tourism development in the Asia and Pacific region. The Tourism Council of the South Pacific has been successful as a regional agency in the area of marketing and promotion of the South Pacific as a tourist destination, while for the Caribbean small island developing States, the formation of the Caribbean Coalition for Tourism has pooled resources for cooperative marketing.

84. International organizations, in particular UNEP and the World Tourism Organization, have been important in promoting action to deal with the environmental impacts of tourism and to promote sustainable tourism. UNEP has developed fruitful partnerships with industry associations at the international level to provide information about and disseminate examples of good environmental practices, in particular on codes of conduct and environment management of hotels. In 1997, the World Trade Organization convened the Asia-Pacific Ministers' Conference on Tourism and Environment and the World Tourism Leaders' Meeting on the Social Impacts of Tourism. The international community should support the programmes and initiatives of such international organizations designed to promote sustainable tourism.

85. Finally, with regard to the International Year of Ecotourism in 2002, the Commission on Sustainable Development has been requested to recommend to the General Assembly, through the Economic and Social Council, supportive measures and activities that will contribute to a successful year (Council resolution 1998/40, para.3). In order to fulfil this request, it will be necessary for the Commission to initiate and facilitate consultations to discuss the measures and activities that may be undertaken in 2002. The international community and all major groups should fully support and participate in this process to ensure that the event will achieve all its objectives. Furthermore, in view of the fact that the General Assembly, in its resolution 53/24 of 10 November 1998, has also proclaimed the year 2002 as the International Year of Mountains, the Commission for Sustainable Development may wish to consider possibilities for linking some of the activities of the two years.

#### Endnotes

<sup>1</sup> World Tourism Organization, *Tourism Highlights 1997* (Madrid, 1998).

<sup>2</sup> United Nations Conference on Trade and Development, "International trade in tourism-related services: issues and options for developing countries" (TD/BICOM. I/EM.6/2).

<sup>3</sup> World Tourism Organization, *Tourism Highlights 1997* (Madrid, 1998).

<sup>4</sup> United Nations Conference on Trade and Development, "International trade in tourism-related services: issues and options for developing countries" (TD/BICOM. I/EM.6/2).

<sup>5</sup> ~ United Nations Conference on Trade and Development.

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Report of the Expert Meeting on Strengthening the Capacity for Expanding the Tourism Sector in Developing Countries, with Particular Focus on Tour Operators, Travel Agencies and Other Suppliers (TD/B/COM. 1/17- TDIB/COM. 1/EM.6/3).

<sup>6</sup> Report of the World Summit for Social Development, Copenhagen 6—12 March 1995 (United Nations publication, Sales No. E.96.IV.8), chap. I, resolution 1, annex L.

<sup>6</sup> World Tourism Organization, World Travel and Tourism Council and Earth Council, *Agenda 21 for the Travel and Tourism Industry* (1997).

An extract from

# Development of Approaches and Practices for the Sustainable Use of Biological Resources, including Tourism

Note by the Executive Secretary, Subsidiary body on Scientific, Technical and  
Technological Advice, Convention on Bio-diversity  
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## II. THE ROLE OF TOURISM IN THE SUSTAINABLE USE OF BIOLOGICAL RESOURCES

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7. The sustainable use of the components of biological diversity is one of the three objectives of the Convention on Biological Diversity. For the purposes of the Convention, "sustainable use" means the use of components of biological diversity in a way and at a rate that does not lead to the long term decline of biological diversity, thereby maintaining its potential to meet the needs and aspirations of present and future generations" (Article 2). This definition of sustainable use is consistent with the concept of sustainable development as elaborated in the Rio Principles and Agenda 21, whereby "sustainable development" meets the needs and aspirations of the current generations without compromising the ability to meet those of future generations. Sustainable development cannot be achieved without the sustainable use of the world's biological resources. The concept of sustainable use is grounded in Article 10 on sustainable use of components of biological diversity and Article 6 on general measures for conservation and sustainable use of the Convention on Biodiversity.

### *A. Economic Importance Of Tourism*

8. Tourism is one of the world's fastest growing industries and the major source of foreign exchange earnings for many developing countries. The receipts from international tourism grew at an average annual rate of 9 per cent for the ten-year period from 1988 to 1997, reaching \$443 billion in 1997. Tourist arrivals worldwide increased by 5 per cent per annum on average during the same period<sup>1</sup>. According to WTO, tourism receipts accounted for a little over 8 per cent of total world exports of goods and almost 35 per cent of the total world exports of services in 1997. The breakdown of the travel account balance shows that the industrialized countries as a whole are the net importers of such services, while the developing countries as a whole have been increasing their surplus. The surplus for the latter group of countries widened steadily from \$4.6 billion in 1980 to \$65.9 billion in 1996, offsetting more than two-thirds of their current account deficit in 1996. The travel surplus has widened



steadily in all developing regions in the past decade. Economies in transition recorded a deficit of \$3.5 billion in 1995, which swung back to a surplus of \$1.5 billion in 1996.

9. From the production point of view, tourism contributes around 1.5 per cent of world gross national product (GNP)<sup>2</sup>. Tourism is also a major source of employment, the hotel accommodation sector alone employing around 11.3 million people worldwide<sup>3</sup>. Furthermore, tourism based on the natural environment is a vital and growing segment of the tourism industry, accounting for \$260 billion in 1995<sup>4</sup>. In a number of developing countries, tourism has already overtaken cash crop agriculture or mineral extraction as their major source of national income<sup>5</sup>.

### *B. Tourism And Environment*

10. The global social, economic and environmental impacts of tourism are immense and highly complex. Given that a high percentage of tourism involves visits to naturally and culturally distinguished sites, generating large amounts of revenue, there are clearly major opportunities for investing in the maintenance and sustainable use of biological resources. At the same time, efforts must be made to minimize the adverse impacts of the tourism industry on biological diversity.

11. Historical observation indicates that self-regulation of the tourism industry for sustainable use of biological resources has only rarely been successful. This is due to a number of factors. Firstly, as there are many individual operators, local environmental conditions may be viewed as a type of common property resource. It will not be in the interests of any individual operator to invest more than his or her competitors in maintaining the general environmental standards in the resort. Similarly, operators are very likely to "export" their adverse environmental impacts, such as refuse, wastewater and sewage, to parts of the surrounding area unlikely to be visited by tourists. This reaches its most extreme form in so-called "enclave" tourism, where tourists may remain for their entire stay in an artificially maintained environment isolated from its surroundings.

12. Secondly, international tourism operates in an increasingly global market in which investors and tourists have an ever-widening choice of destinations. Indeed the search for new and novel areas and experiences is one of the major engines driving the tourism life cycle. Moreover, much of the tourism industry is controlled by financial interests located away from tourist destinations. When environmental conditions begin to deteriorate in a given location, operators are likely to shift to alternative locations rather than to invest in improving those conditions.

13. Finally, the international tourism market is fiercely competitive, much of operating on low profit margins. Operators are therefore often extremely reluctant to absorb any additional costs associated with improving environmental conditions, and instead will often find it economically expedient to shift their area of operation rather than face such costs.

## **III. POTENTIAL IMPACTS ON BIOLOGICAL DIVERSITY OF TOURISM**

14. In considering the role of tourism in the sustainable use of biological resources and their diversity, it is important that the potential adverse impacts at tourism are fully considered. These are roughly divided into environmental impacts and socio-economic impacts, the latter generally being those imposed on local and indigenous communities. Although such impacts on biological resources may be less easy to quantify and analyze systematically, they may be at least as important as, if not more

important than, environmental impacts in the long term. Section A addresses the potential adverse impacts on environment, while section B contains the potential socio-economic impacts.

15. Despite the potential negative impacts, and given the fact that tourism generates a large proportion of income and that a growing percentage of tourism is nature-based, tourism does present a significant potential for realizing benefits in terms of the conservation of biological diversity and the sustainable use of its components. Section C addresses the potential benefits of tourism, both tangible and intangible. Among the tangible benefits are direct revenues generated by fees and taxes incurred for the use of biological resources. These revenues can be used for the maintenance of natural areas and the contribution of tourism to economic development, including linkage effects to other related sectors and job creation. Intangible benefits include the education of local communities as well as tourists and potential political leverage.

#### A. Environmental Impacts

16. *Use of land and resources:* Direct use of natural resources, both renewable and non-renewable, in the provision of tourist facilities is one of the most significant direct impacts of tourism in a given area. Such use may be one-off or may be recurring. The most important are: (i) the use of land for accommodation and other infrastructure provision, including road networks; and (ii) the use of building materials. Strong competition for the use of land between tourism and other sectors results in rising prices, which increase the pressures on, for example, agricultural land. The choice of site is also an important factor. Generally preferred "attractive landscape sites", such as, sandy beaches, lakes and riversides, and mountain tops and slopes, are often transitional zones, normally characterized by species-rich ecosystems. As a result of the construction of buildings in these areas, they are often either destroyed or severely impaired<sup>6</sup>. Deforestation and intensified or unsustainable use of land also cause erosion and loss of biological diversity. Due to lack of more suitable sites for construction of buildings and other infrastructure, coastal wetlands are often drained and filled. Construction of marinas in certain sites can also impact on ecosystems and even coastal coral reefs. In addition, building materials are often extracted in an unsustainable manner from ecosystems. Excessive use of fine sand of beaches; reef limestone and wood can cause severe erosion<sup>7</sup>. Furthermore, creation of congenial conditions for tourists may often entail various forms of environmental manipulation that may have deleterious consequences for biological resources.

17. *Impacts on vegetation:* Direct impact on the species composition of vegetation on the ground layer can be caused by trampling and off-road driving. Plant picking and uprooting by plant collectors and casual flower-pickers can also lead to loss of individual species. Passage of tourism vehicles, particularly in high volumes along popular routes, also has adverse effects on vegetation, resulting in a loss of vegetation cover. Furthermore, forest fires may be caused by the careless use of campfires. The choice of sites for construction facilities can also affect vegetation patterns and species diversity<sup>8</sup>.

18. *Impacts on wildlife:* Wildlife and other types of nature-oriented tourism may have a number of direct impacts on natural resources. The severity of these impacts is variable and has rarely been quantified for any specific cases. Actual or potential impacts include: (i) damage caused by tourism activities and equipment; (ii) increased risk of the spread of pathogens from humans or companion animals to wild species; (iii) increased risk of introduction of alien species; (iv) disturbance of wild species, thereby disrupting normal behaviour and conceivably affecting mortality and reproductive success; (v) alterations in habitats; and (vi) consumption of wildlife by tourists.

19. One of the direct effects on wildlife of specialist tourism is the depletion of local populations of certain species caused by hunting, shooting and fishing. Uneducated divers and tour operators can cause

extensive damage to coral reefs through trampling and anchoring. Tourists and tourist transportation means can increase the risk of introducing alien species. In addition, the manner and frequency of human presence can cause disturbance to the behavior of animals, in particular, noise caused by radios, motorboat engines and motor vehicles. Even without much noise, some waterfowl can be agitated by canoes and rowing boats. Construction activities related to tourism can cause enormous alteration to wildlife habitats and ecosystems. Furthermore, increased consumption of wildlife by tourists can affect local wildlife populations and local fisheries as well as the amount available for consumption by local people. Souvenir manufacturing using wildlife, in particular such endangered species as corals and turtle shells, can also seriously affect those populations.

*20. Impacts of mountain environments:* Tourism has been for many years focused on mountain areas, which provide opportunities for hiking, white-water rafting, fly fishing, para-gliding, and winter sports, especially skiing and related activities. Pressures from these activities on biological resources and their diversity are enormous and include: construction of hiking trails, bridges in high mountains, camp sites, chalets and hotels as well as resulting erosion and pollution. There has been increasing awareness of and publicity on the negative effects of tourism on mountains. The Kathmandu Declaration on Mountain Activities was adopted as long ago as 1982 by the international Union of Alpine Associations in order to address these pressures on the fragile mountain ecosystems and to call for improved practices (see section IV. B.). The case study on the Annapurna Conservation Area project also points out the difficulty in managing increased tourism activities in the fragile mountain ecosystems.

*21. Impacts on the marine and coastal environment:* Tourism activities may have major impacts on the marine and coastal environment, the resources they host and the diversity of those resources. Most often, those impacts are due to inaccurate planning and/or lack of education and awareness of the impacts by, for example, tourist resorts along the coastal zones. But sometimes decisions for tourism development are based only on the potential economic benefit, in spite of the known potential damage to the environment, as in the case of various coral reef resorts. Coastal erosion often affects many coastal infrastructures that have been built for tourism purposes. However, it is often those very infrastructures that have altered dune replenishment processes (causing beach erosion), modified local currents by building harbor-like structures (causing, for example, the smothering of superficial corals), and led to eutrophication through inappropriate positioning of the resort sewage systems and the often absent treatment of the water discharged. In open waters, shipping for tourism purposes has sometimes been found to cause pollution due to limited intentional spills, and to carry species into new environments.

22. While the impact of tourism on coastal resources may already be a serious issue, the degradation of these resources may cause the impoverishment of their diversity, as in the case for mangrove ecosystems adjacent to tourist resorts. This may have significant ecological and economic implications for local populations.

*23. Impacts on water resources:* Fresh water, in general, is already facing growing demand from agriculture, industry and households in many parts of the world. In some locations, such as in many small island developing states, additional demand from tourism, which is extremely water-intensive, is an acute problem<sup>9</sup>. The abstraction of groundwater can cause desiccation, resulting in loss of biological diversity. For the quality of water, some activities are potentially more damaging than others. For example, use of motorboats can lead to beach and shoreline erosion, dissemination of aquatic weed nuisances, chemical contamination and turbulence and turbidity in shallow waters<sup>10</sup>. The disposal of untreated effluents into surrounding rivers and seas can cause eutrophication. It can also introduce a large amount of pathogens into the water body, making it dangerous for swimming. Naturally nutrient-rich ecosystems, such as mangroves, can perform buffer and filtering functions to a certain extent<sup>11</sup>.

24. *Waste management:* Disposal of waste produced by the tourism industry may cause major environmental problems. Such waste can generally be divided into sewage and wastewater; chemical wastes and pollutants; and solid waste (garbage or rubbish). The effect of direct discharge of untreated sewage leading to eutrophication, oxygen deficit and algal blooms has already been pointed out.

25. *Environmental impact of travel:* Travel to and from international tourist destinations causes significant environmental impacts through pollution and production of "greenhouse" gases. A high proportion of international tourist travels by air. Such travel is believed to be the most environmentally costly per passenger-kilometer, although the true costs are difficult to assess accurately, as are the impacts on biological resources and their diversity.

### *B. Socio-economic impacts of tourism*

26. *Influx of people and related social degradation:* Increased tourism activities can cause an influx of people seeking employment or entrepreneurial opportunities, but who may not be able to find suitable employment. This may cause social degradation, such as local prostitution, drugs and so forth<sup>12</sup>. In addition, due to the unstable nature of international tourism, communities that come to rely heavily on tourism in economic terms are vulnerable to the changes in the flow of tourist arrivals and may face sudden loss of income and job in time of downturn.

27. *Impacts on local communities:* When tourism development occurs, economic benefits are usually unequally distributed amongst members of local communities. There is evidence suggesting that those who benefit are often limited in number and that those who benefit most are often those who were at an economic advantage to begin with, particularly land-owners who can afford the investment. In the case of foreign direct investment, much of the profit may be transferred back to the home country. Therefore, tourism can actually increase inequalities in communities, and thus relative poverty. In addition, tourism increases local demand for goods and services, including food, resulting in higher prices and potentially decreased availability for local people.

28. A more direct example of where tourism may conflict directly with the needs and aspirations of local peoples is where the latter are excluded from particular areas given over to tourism, or at least have their rights of access severely curtailed. This is most likely to occur in protected areas created to conserve wildlife. In most cases, however, the designation of such areas as protected, and the exclusion of local people from them, have preceded the development of tourism in such areas, rather than having been a product of it. On the other hand, as in the case of the Maldives, direct conflict can be avoided by isolating the tourism industry from the bulk of the indigenous population. This isolation has been possible in the Maldives because of the availability of a large number of uninhabited islands that can be developed into tourist resort islands<sup>13</sup>.

29. *Impacts on cultural values:* Tourism has a highly complex impact on cultural values. Tourism activities may lead to intergenerational conflicts through changing aspirations of younger members of communities who may have more contact with, and are more likely to be affected by, the behaviour of tourists. Traditional practices and events may also be influenced by the tourist preferences. This may lead to erosion of traditional practices, including cultural erosion and disruption of traditional lifestyles. Furthermore, they may affect gender relationships through, for example, offering different employment opportunities to men and women.

### C. Potential Benefits Of Tourism For The Conservation Of Biological Diversity And The Sustainable Use Of Its Components

#### A) TANGIBLE BENEFITS

30. *Revenue creation for Maintenance of natural areas:* The most direct means of exploiting tourism for the sustainable use of biological resources is through the harnessing of some proportion of tourism revenues for that end. This may be achieved either through a generalized environmental tax on tourists or particular tourism activities or by charging fees for access to biological resources, the revenue from which can then be used for their maintenance. The latter procedure generally means charging entrance fees to national parks and other protected areas, but also includes fees for activities, such as fishing, hunting and diving.

32. There are several notable, and evidently expanding, specialist tourism sectors, where participants may be willing to pay such fees. The largest single specialist sector at present is probably bird-watching, although it is not clear whether bird-watchers as a group are in fact any more willing to pay than less specialized tourists. In marine-based wildlife tourism, scuba diving represents important specialist sector. The specialist sector, which appears to show the highest willingness to pay is sport hunting, where very large license fees can be charged under some circumstances. It must also be recognized that these fees and taxes can also be used as measures to regulate the level of access to concerned sites and biological resources. In addition, the prospect of their continued revenue generation provides a direct incentive for the maintenance of the populations or ecosystems.

32. *Tourism contribution to economic development:* Whether tourists are paying access fees or not, they have a major economic impact on the areas that they visit. Tourist expenditures, in net terms, generate income to the host communities. Tourism also stimulates infrastructure investment, such as construction of buildings, roads, railroads, airports, sewage systems, water treatment facilities and other tourism-related facilities. Tourism generates job opportunities in the sector and offers various related business opportunities derived from tourism. Increasing revenue flows in a region may also allow development of more sustainable land-use practices, by allowing, for example, farmers to use improved rotations and some level of fertilizer input rather than relying on slash-and-burn cultivation to restore soil fertility through fallow periods. Tourism can also provide a viable economic alternative to unsustainable production or harvesting practices.

33. In some areas, low-input and small-scale agricultural activities that result in both an attractive environment and the maintenance of high levels of biological diversity can also offer an opportunity for tourism. Sale of products (curios and souvenirs) derived from sustainably harvested natural resources may also provide significant opportunities for income generation and employment.

#### (B) INTANGIBLE BENEFITS

34. *Public education and awareness:* Tourism can serve as a major educational opportunity, increasing knowledge of natural ecosystems and local communities amongst a broad range of people. Such education may be reciprocal. In some parts of the world, local people have become more aware of the uniqueness of their local biological resources, for example the presence of endemic species, through the advent of tourism. Tourism can also provide incentives to maintain traditional arts and crafts and opportunities to learn about different cultures. Furthermore, tourism may under some circumstances encourage the maintenance or revitalization of traditional practices that are favourable to the sustainable use of biological resources and that would otherwise be in danger of being lost.

35. *Political leverage:* Where a country has come to depend heavily on international tourism, this may serve as an encouragement to good governance. As international tourists become increasingly well informed and capable of exercising choice in their destinations, perceived deterioration in governance is very likely to deter a significant proportion of tourists from choosing a given country as a destination, because of a mixture of altruistic or moral concern and self-interest. The link between good governance and maintenance of biological resources is neither direct nor explicit, but is undoubtedly of fundamental underlying importance.

#### **IV. MANAGEMENT OPTIONS AND INTERNATIONAL/REGIONAL STRATEGIES FOR SUSTAINABLE TOURISM THAT ADDRESS BIOLOGICAL DIVERSITY**

##### *A. Options for good practices*

36. *Assessment and monitoring:* It is fundamental that a thorough impact assessment be done before any tourism-related project is started. In assessing the impact of tourism on the sustainable use of biological resources and their diversity, and in attempting to harness the potential benefits of tourism to this end, all the above factors should ideally be taken into consideration. In most circumstances, a comprehensive assessment will not be feasible. Thus decisions will have to be made based on best available information and with a considerable element of judgment. In assessing the impact, tourism carrying capacity for a specific site should also be defined in order to obtain an indication of the limits and limitations of tourism development. It can also assist in planning the types and modes of tourism activities to be developed. The principle of adaptive management is likely to prove useful, where decisions are made on the basis of best available information and then modified in light of the outcomes resulting from those decisions. In order to effectively adjust the activities, a suitable monitoring mechanism should also be installed.

37. *High-value, low-volume tourism:* High-value, low-volume tourism is widely advocated as the best method of maximizing benefits from tourism with less negative impacts on the natural environment. From the experience of protected area management, it is generally accepted that the management costs associated with protected areas, and the pressures on resources, increase in proportion to the number of visitors to a given area. In very unique sites, such as in the Galapagos National Park of Ecuador and in the Parc National des Volcans of Rwanda, this management option can be easily adopted. For example, by the late 1980s, the Parc National des Volcans was charging \$170 per visit for gorilla viewing, with the maximum number of visitors per year set at 6,000<sup>14</sup>. Similar high entrance fees are charged at Kilimanjaro and Mount Kenya National Parks and Mount Everest. This may, however, result in the exclusion of local people from accessing these areas.

38. *Optimizing use of tourism revenues:* The problem of making the best use of tourism revenues obtained through protected area entrance fees or other levies is a general one. In government-run protected areas, revenues often accrue to general treasury funds, so that there is no relationship between the income generated from a protected area and the budget available for its management. Where income can be earmarked directly to maintaining that area, there is often a fear that the government funds will be reduced accordingly, so that no additional resources for management will be made available. The problem is further exacerbated by the fact that tourists' willingness to pay may often be dependent upon their understanding of how and where their fees will be used. If there is no clear connection between the fee and the maintenance of the resources that they have come to enjoy, willingness to pay is very likely to be lower than where there is a clear link.

39. Furthermore, in many countries, visitation rates to different protected areas are very unequal, so that some protected areas may receive more entrance fees than are needed to manage them effectively while others do not receive enough. Where protected-area systems can be managed as a whole, and are allowed to make direct use of the income they generate, these problems can be mitigated. This is particularly necessary where these less-visited areas are actually more important for the maintenance of biological diversity.

40. *Channeling the benefit to local people:* An equally complex and important long-term consideration is the establishment of mechanisms that allow local people to benefit from income generated by park fees. Allowing local people to benefit in this way from protected areas is an important step in ensuring the long-term viability of such areas. In regions where local people have been displaced from such areas or have had their usage rights curtailed, such benefits can serve as compensation and reduce hostility to the protected area. Where benefits are tied to responsibilities, this may help to reduce controlled or forbidden activities within the area, such as timber-cutting, cattle grazing, burning and hunting.

41. In many cases, however, there is a high leakage of tourist revenues away from the local area, and often out of the country entirely: Mechanisms to mitigate this may include preferential allocation of franchises to local people, for example, for accommodation, guides and catering. Such systems require careful, transparent management and an enforceable regulatory regime in cases of abuse. A more radical approach, often appropriate outside the formal protected area system, is the empowerment of local communities to develop and manage their own resources, using controlled tourism as a form of income generation, as in the case of CAMPFIRE (Communal Areas Management Programme for Indigenous Resources) in Zimbabwe.

42. *Maximizing revenues:* Some also suggest that, based on studies on willingness-to-pay, user fees for entry to protected areas can be greatly increased. For example, in the case of Parc National des Volcans in Rwanda cited above, it has been suggested that the fee of \$170 per visit for Gorilla viewing could be increased substantially without discouraging visitors owing to the uniqueness of the site. In order to avoid conflicts with local people and to optimize the benefits, differentiated fees can be charged to foreign visitors and to local visitors. One such example is the Monteverde Cloud Forest Biological Reserve in Costa Rica.

43. *Private management of Reserves:* Privately-owned protected areas may avoid many of the constraints and difficulties of government-run areas or those on communal lands. In some countries, such areas make a significant and self-financing contribution to the maintenance of some biological resources and their diversity. According to a survey conducted in 1993 among 97 privately-owned Reserves in Latin America and sub-Saharan Africa, of the 32 respondents, more than half reported making a profit. Tourism provided 67 per cent of operation income and private grants accounted for another 19 percent<sup>15</sup>. In the case of the Monteverde Cloud Forest Reserve, a surplus has been reported every year since 1988. However, their long-term viability often depends on economic conditions beyond the control of the land-owner and/or their intention and acumen, so that the long-term maintenance of these resources is by no means guaranteed.

44. *Tourism in a wider land-use context:* From the foregoing discussion, it becomes evident that while tourism does present many opportunities for the sustainable use of biological resources and their diversity, it also poses many threats to such use. Its potential role is probably best viewed from the perspective of integrated natural resources and land-use management in its wide sense, including integrated coastal zone management. That is, for any given area, an ecosystem approach should be

applied in the planning for tourism development and the costs and benefits of its development should be weighed against other options.

42. *Regulatory regimes:* It is extremely likely that, in cases where tourism in some form is considered a viable activity, a regulatory regime will be necessary to minimize adverse environmental and social impacts, for example in the form of zoning, minimum environmental standards or limitation on bed numbers. At a minimum, an environmental impact assessment, including full appraisal of impact on biological diversity, should be undertaken for every major development. Even then, there will not necessarily be any guarantee that biological diversity will benefit from tourism. Various incentive measures can be formulated to induce activities to become more supportive of conservation and sustainable use of biological diversity. An Australian case study describes some options for the promotion of nature-based tourism. The recent report by UNEP on "Ecolabels in the tourism industry" (UNEP IE, 1998) also offers some examples. The development of voluntary environmental codes and standards within the industry, a number of which already exist, should be actively encouraged, as should the education of tourists on the potential environmental impacts of their activities.

### *B. International and regional strategies and instruments*

46. As mentioned above, there have been a number of international and regional agreements and initiatives on sustainable tourism. The document "Biological Diversity and Sustainable Tourism - Preparation of Global Guidelines", submitted for information by Germany to the fourth meeting of the Conference of the Parties as an information document (UNEP/CBD/COP/4/Inf.21), describes a recent development of international initiatives concerning sustainable tourism. Some notable examples are examined here.

47. The "Tourism Bill of Rights and Tourist Codes", adopted at the sixth session of the General Assembly of the World Tourism Organization, in Sofia, Bulgaria, in 1985, offers a general framework regarding tourism and tourist conduct. The Tourism Bill of Rights established the right of everyone to rest and leisure, the role of States to promote harmonious development of domestic and international tourism, and the role of tourism professionals in contributing positively to the development of tourism as well as the implementation of the Bill. The Tourist Code, for its part, spelled out the code of conduct for tourists.

48. Prior to this Bill, responding to the increasing threats to their fragile ecosystems and the environment, the International Union of Alpine Associations (IUAA) adopted the Kathmandu Declaration on Mountain Activities at its forty-fourth General Assembly in 1982. Identifying the urgent need for effective protection of the mountain environment and landscape, the Declaration called for actions to reduce the negative impact of human activities on mountains and immediate attention for the flora, fauna and natural resources. In addition, it established the cultural heritage and the dignity of the local population as inviolable. It further called for better education and awareness regarding environment and identified the use of appropriate technology for energy needs and the proper disposal of waste as matters of immediate concern.

49. In 1992, guidelines on the development of national parks and protected areas for tourism were jointly published by WTO, UNEP and IUCN<sup>16</sup>, in order to encourage more appropriate tourism development in national parks and protected areas. The guideline addresses: 1) ways and means of involving local people living in and around protected areas; 2) determining the appropriate level of tourism in national parks; 3) improving the management of the natural values of the area; 4) designing appropriate tourism infrastructure in national parks; 5) promoting greater appreciation by visitors of the values of national parks; and 6) determining how tourism activity in national parks can serve as a self-



financing mechanism for the park and as a tool for conservation. In the same year, UNEP, with the UNESCO World Heritage Center, organized an International Workshop on the management of tourism in natural world heritage sites. The Workshop's recommendations have been widely circulated and now the two organizations are jointly working on a manual for managers of natural world heritage sites.

50. In 1994, the Council of Europe adopted recommendations for sustainable tourism that contain measures at the national, international, local and regional levels.

51. The World Conference on Sustainable Tourism, which took place in Lanzarote in April 1995, adopted the Charter for Sustainable Tourism, listing 18 points that are essential for sustainable tourism. It established that tourism development would need to be conducted in the framework of sustainable development, addressing the natural, cultural and human environments. It called for special priority in the matter of technical cooperation and financial aid to be given to environmentally and culturally vulnerable spaces.

52. More recently, in 1997, the International Conference of Environment Ministers on Biodiversity and Tourism, held in Berlin, Germany, attended by 19 countries and six organizations, adopted the Berlin Declaration on Biological Diversity and Sustainable Tourism. The Declaration largely concentrates on five areas:

- Sustainable tourism is a sensible use of biological diversity. In order for sustainable tourism to contribute to the conservation and sustainable use of biological diversity, environmentally sound forms of tourism are to be promoted;
- The development of tourism needs to be controlled in order to ensure sustainability;
- Particular attention needs to be paid to tourism in vulnerable areas, including protected areas, coastal and mountain areas, and regions in which nature is particularly diverse;
- Not only countries, but all stakeholders are responsible for sustainable development, particularly the private sector, whose voluntary initiatives are encouraged; and
- Local communities are not only responsible for the sustainable development of tourism, but they can also gain particular benefits from tourism.

53. At the occasion of the Ministerial Roundtable on Biological Diversity held during the fourth meeting of the Conference of the Parties to the Convention (Bratislava, Slovakia, May 1998), the Ministers discussed the issue of tourism. It was acknowledged that a substantial share of tourism strongly depends upon and affects biological diversity, while on the other hand it was also recognized that sustainable tourism could play a role in poverty alleviation and conservation of biological diversity.

54. A recent Workshop on Marine Biodiversity in the Caribbean, held in Jamaica in October 1998, explored the relationship between tourism and marine biodiversity. A working group devoted to this issue concluded that the pressures on marine biological diversity from tourism require a series of measures, depending on the issue in question:

- From a science, technology and research viewpoint, there is a need to improve the scientific baseline information on which to base policy decisions, and communication should be improved and maintained between researchers and resource users, including tourism;
- There is a need for indicators able to assess the carrying capacity of the system;
- Tourism is not integrated enough in national planning, and stakeholder participation is limited. The opposite situation would encourage integration of conservation of marine biological diversity into the tourism industry's long-term planning;

- Education and public awareness is a major issue, along with the need for appropriate legislative measures; and
- An important aspect is the use of market forces and economic instruments to stimulate environmentally responsible behaviour.

55. Also in October 1998, the International Conference on "Sustainable Tourism in Small Island Developing States and Other Islands" was held in Lanzarote, Canary Islands, Spain, jointly organized by UNEP and WTO. The Conference addressed the challenges of sustainable tourism in small islands and proposed recommendations include: (a) integration of tourism in the overall plan for sustainable development; (b) stakeholder involvement; (c) involvement of local communities; (d) adoption of alternative technologies; (e) promotion of codes of conduct and ecolabels tailor-made for small islands; and (f) establishment of environmental standards and regulations.

56. Furthermore, UNEP has drafted a set of guiding draft principles on sustainable tourism. Following the mandate given by the Governing Council in February 1999, UNEP will start a multi-stakeholder consultation process on these principles.

57. In addition, an initiative has been started in the Netherlands to develop an integrative approach for biodiversity-friendly tourism, focusing on tourists from the Netherlands with a destination abroad. It will take into account the whole chain of activities, such as information from travel agencies, decisions by public to book trips, effects of travelling, possible reductions of negative impacts of accommodation at the destination, and activities undertaken by tourists abroad. The initiative involves all relevant stakeholders from the public and private sectors, following an interactive approach.

#### Endnotes

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<sup>1</sup> World Tourism Organization, *Tourism Highlights 1997*

<sup>2</sup> Report of the Secretary General on tourism and sustainable development, Addendum: Tourism and economic development, Commission for Sustainable Development, 7<sup>th</sup> session, January 1999 (advance unedited copy)

<sup>3</sup> Ibid.

<sup>4</sup> Jeffrey McNeely, "Tourism and biodiversity: a natural partnership", presented at a symposium on Tourism and Biodiversity, Utrecht, 17 April 1997

<sup>5</sup> Report of the Secretary General on tourism and sustainable development, Addendum: Tourism and economic development, Commission for Sustainable Development, 7<sup>th</sup> session, January 1999 (advance unedited copy)

<sup>6</sup> Biodiversity and Tourism: Conflicts on the world's seacoasts and strategies for their solution, German Federal Agency for Nature and Conservation ed., 1997.

<sup>7</sup> Ibid.

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<sup>9</sup> Ibid.

<sup>9</sup> Report of the Secretary-General, Addendum, Sustainable tourism development in small island developing States, Commission on Sustainable Development, Fourth session, United Nations, 1996. E/CN.17/1996/20/Add.3).

<sup>10</sup> Tourism, ecotourism, and protected areas, Hector Ceballos-Lascurain, IUCN, 1996.

<sup>11</sup> Bio-diversity and Tourism: Conflicts on the world's seacoasts and strategies for their solution, German Federal Agency for Nature and Conservation ed., 1997.

<sup>12</sup> for further elaboration see Report of the Secretary-General on tourism and sustainable development, Addendum: Tourism and social development. Commission on Sustainable Development, Seventh session, United Nations, January 1999 (Advance unedited version)

<sup>13</sup> Tourism and the Environment Case Studies on Goa, India, and the Maldives. Kalidas Sawkar, Ligia Noronha, Antonio Mascarenhas, O. S. Chauhan, and Simad Saced, Economic Development Institute of the World Bank, 1998

<sup>14</sup> Economic Perspectives on Nature Tourism. Conservation and Development, Michael P. Wells. Pollution and Environmental Economics Division, the World Bank, 1997.

<sup>15</sup> MF Wells, 1997

<sup>16</sup> Guidelines: Development of National Parks and Protected areas for Tourism. WTO UNEP-IE/PAC Technical Report Series 13, 1992

from

# Sustainable Tourism: A Non- Governmental Organisation Perspective

Background paper #4, UNCSD NGO Steering Committee

## B. INDUSTRY INITIATIVES FOR SUSTAINABLE TOURISM

### Problems

#### *DECREASED ACCESS TO NATURAL RESOURCES FOR THE LOCAL COMMUNITIES AND ENVIRONMENTAL DEGRADATION*

4. Tourism is not, as many people assert, a clean and non-polluting industry. A major problem is the lack of a common understanding of what sustainable tourism or "ecotourism" means. This ambiguity leads to violations of environmental regulations and standards. Hence, the environmental problems evolving from tourism are manifold. First of all, the tourism industry is very resource and land intensive. Consequently, the interest of the tourism sector will often be in conflict with local resource and land use practices. The introduction of tourism will imply an increased stress on resources available. An influx of tourists into the area will lead to a competition for resources. Employees working at the tourist sites compound this competition. Almost as a rule, tourists are supplied at the expense of the local population.

5. Tourist activities imply an intensified utilisation of vulnerable habitats. Investors and tourists do not necessarily possess awareness on how to use natural resources sustainably, and subsequently this utilisation often leads to a degradation of resources. Tourism is also a major generator of wastes. In most tourist regions of developing countries, sewage, wastewater and solid waste disposal are not properly managed or planned. Lastly, tourism is also responsible for a considerable proportion of increased volumes and mileage in global transport and hence the associated environmentally damaging pollutant emissions. The tourism industry has not shown sufficient willingness to (internalise or) compensate the cost of conservation of bio-diversity in, for instance, protected areas, even though they can profit from it.

#### *INCREASING CULTURAL EROSION AND DISRESPECT FOR HUMAN RIGHTS*

6. Tourism is a powerful agent of change. International tourism acts as a catalyst for the transition from traditional ways of life to so-called modern, Western forms of society. Accordingly, tourism often brings with it the introduction of new behaviour trends and norms. Very often, these are contrary to traditional norms existing in the host community, and can come into conflict with its cultural identity and threaten the traditional value systems there. The problem is that the investors seem to have a lack of cultural understanding of the invested society. There is a need for an increased awareness that establishment of new hotels etc. will have its consequences on the society and the people who live in it.

7. Tourism has become associated with violation of human rights. Many destination countries have experienced an increase in criminality, prostitution, alcohol and drug abuse as a consequence of tourism. Furthermore, child labour is commonplace in the tourism industry (particularly in the informal sector).



Equations

According to estimates made by ILO (International Labour Organisation), between 3 and 19 million children and teenagers work in the tourism sector. A particularly abominable form of violation of human rights is child slavery and despicable abuse of children taking place in the booming sex industry in many countries. In these countries, tourism has led to an incredible increase in prostitution and also in the exploitation of children. The tourism industry has not yet come up with a general condemnation of these violations of human rights.

#### *UNQUALIFIED JOBS AND FOREIGN EXCHANGE LEAKAGE*

8. The tourism industry is characterised by a high degree of monopoly, which implies a concentration of services and profits into very few big transnational corporations. In many countries, tourism facilities mostly belong to foreigners. Furthermore, in local host communities in many countries a relatively small number of people are involved in the tourism industry in host communities in many developing countries. Very often, there is a lack of qualified manpower in the locality. Hence, most employees are recruited from the big cities, neighbouring countries or even from the country of origin of the investors.

9. Multiplier effects from tourism are less significant than is often assumed. One reason is that tourism industries purchase most of their inputs (materials, products or services) in their country of origin. As a result, a considerable amount of foreign exchange revenues leaks from the destination countries. The more goods, services, physical capital and human capital a country must import for its tourism services, the higher the leakage. Very often the investors are not approaching the local community it actually can provide. In addition to this, the General Agreement on Trade in Services (GATS), with its liberalisation of global trade and services, is increasingly undermining the possibilities of individual countries and regions to control their tourism industries and the possible economic gains from tourism.

#### *Solutions*

#### *DECREASED ACCESS TO NATURAL RESOURCES FOR THE LOCAL COMMUNITIES AND ENVIRONMENTAL DEGRADATION*

10. In general, the tourism industry should engage in promoting sustainability as a hallmark, for investors. More specifically, investors in tourism should strive to adopt environmentally sound technologies or other measures to minimise the consumption of local ground water. In the case of water utilisation, such measures might be water saving equipment, desalination systems and collecting and utilising rainwater. Using other types of resources in a sustainable manner is, of course, also crucial. There is a need to use ecological materials and installation of renewable sources of energy systems (solar energy) in all new buildings and new construction. Furthermore there should be an acceleration of installation of solar/wind power in all public work projects of communities where tourism will be introduced. To prevent or minimise the impact of chemical inputs in soil, water and health, one should start utilising sound ecological methods, including IPM (Integrated Pest Management). Ecological methods need to be applied in all areas utilised for tourism, including in the maintenance of golf courses, gardens and recreational facilities.

11. Pollution of ground and coastal waters must be prevented, and recommendations must be made (perhaps even legislation) for tourism investors to invest in proper sewage treatment facilities. Appropriate waste disposal systems and ways to separate garbage into organic and non-organic waste should be developed. Organic waste can be composted and possibly reused on hotel gardens or even for local farming. This could be done through collaboration with local residents. Residents could organise themselves and manage the allocated dumping sites, and hence benefit from the system in receiving

payment from the hotel for services rendered. A system to separate the different materials, and recycle some should be in place at the landfill site, thus reducing the waste even further.

12. To avoid degradation of the natural environment, tourism projects can help finance protected areas and safeguard ecologically sensitive regions against further environmental deterioration. By empowering local populations and have them participating in the entire process, sustainability will be ensured as it becomes accepted by and adjusted to the local communities. Also, a protected area might certainly be a suitable tourist-attraction, where tourists can experience amazing nature and learn about conservation and traditional uses of natural resources in the area.

13. Investors in tourism should always respect the traditional land tenure system in the area and the traditional user-right systems of resources. In regard to this, the communication and consultation with the local communities about resource-use is important. Tourism investors should not exclude local people from using local resources, and thus take away what they depend on for maintaining their well being. The tourism industry can and must take initiatives to implement that polluter(s) pay a principle (or other forms of internalisation of externalities) for pollution related to tourism operations. This may be organised and carried out through local tax systems or through funds established by the tourism industry for local community development. However, the paid principle should be applied for minor pollution only and should not be developed into a possibility for investors to pay a symbolic fine for imposed irreversible negative impacts on the local environment.

14. Inaccurate and/or mild environmental legislation in destination countries may possibly attract more foreign investors contributing to fast economic growth and development, but with environmental damage as a consequence. To avoid the dilemma, destination countries will have to choose between economic development and environmental protection international. Multinational enterprises must be committed to follow the environmental standards of their home country should these be stricter than those at the destinations.

#### *INCREASING CULTURAL EROSION AND DISRESPECT FOR HUMAN RIGHTS*

15. The tourism industry should promote projects, which are compatible with the cultural identity of the local population's way of life. Furthermore, the tourism sector should always make sure it acts in accordance with the cultural heritage, and respect the cultural integrity of tourism destinations. This might be accomplished by defining codes of conduct for the industry and hence providing investors with a checklist for sustainable tourism projects.

16. Establishing and developing tourist training programmes could be one way of managing codes of conducts for the tourists. Here, tourists can be informed and educated about the destination for their travel both before and after their arrival at the site. At the site, tourist information centres can be established through funding from the investor. The information given to tourists should include codes of conduct regarding appropriate behaviour and clothing. It is reasonable to assume that people's offending behaviour is largely a consequence of ignorance rather than intention. Consequently, information and facts about the destination, ways of life, history, cultural heritage is crucial to help tourists get along.

17. It is an absolute must that tourism investors do not engage in or promote child labour and prostitution. Moreover, it is appropriate that the industry commit themselves to a global campaign against such and any other violation of human rights. Evaluating the sustainability of the tourism development, in regards to cultural and human rights aspects, is highly recommended for those responsible for the tourism projects. As with the case mentioned earlier of preventing environmental degradation, this must be carried out through communication and consultation with the local communities.

#### UNQUALIFIED JOBS AND FOREIGN EXCHANGE LEAKAGE

18. By devising local training programmes and establishing educational projects, the tourism industry can ensure that qualified local people are employed in their projects. One should train the local people instead of foreigners to become guides due to their knowledge of the area and resources. The investors should be responsive to the kind of knowledge, abilities and skills found in the local communities. Very often such knowledge and skills are well fitted to be used in tourist activities be it fishing trips, nature trails, souvenir sales or dancing courses for tourists etc.

19. To constrain foreign exchange leakage, those responsible for the tourism projects should ensure that local inputs are purchased for their projects. A proper examination of local resources available will be beneficial for both the industry and the local residents. Usually, there is considerable local willingness to start producing new products if a market for these products exists. The tourism sector should also adopt measures to prevent foreign exchange leakage by a commitment to re-investment of a fair share of the locally accrued profit. We have already mentioned protected areas, training programmes on codes of conduct for tourists, or possible training of local employees, as projects in need of funds. Initiatives towards more local community development projects should also be appropriate.

20. The tourism industry should promote the establishment of small and medium-sized tourism enterprises which, compared to large-scale hotels etc., have far more moderate impacts on the environment. It is the industry's responsibility to act as a model for communities to show that it is possible to do business whilst protecting natural resources. The industry should also promote and support local communities to start tourism-related businesses and grant access to low interest loans. It is the responsibility of the tourism sector to ensure total transparency in all transactions, and to prevent tourism projects from being used as projects for laundering illicit money, as well as to refuse using bribes as a means to obfuscate or avoid government rules and regulations. There should be a global boycott against those investors involved in such or other types of illegal activities.

#### GENERAL RECOMMENDATIONS AND POSSIBLE SOLUTIONS WHICH CONCERN ALL THREE PROBLEM AREAS

21. Empowerment of residents at tourist destinations, through local participation, may be facilitated by providing written and legally binding contracts between local people and tourism investors. The contracts will help to avoid broken promises, which too many examples and previous experience prove to be a huge problem. In addition to the mentioned examples (providing proper information for tourists and establishing training programmes for residents), the tourism industry, through for instance the WTTC or the WTO with NGOs in the selection panels, could issue awards especially for sustainable tourism projects as an encouragement for investors.

#### Agents and Partnerships for change

22. In this section, the focus has been on what the tourism industry itself can do in order to augment and improve its environmental, cultural, social and economic profile and make sure this is sustainable. However, the industry's effort cannot be successful without a profound collaboration with all stakeholders.

23. Within the industry, it is important that both small and large-scale tourism operators are included in the collaboration and that they participate in solving problems related to tourism development. As mentioned, a sustainable development of the tourism industry can only be ensured through participation of all local residents in the destination countries. There is a need for a willingness and ability for the partners to work with this kind of bottom-up approach. In this context, both environment and social NGOs have an important role to play, putting pressure on the industry and facilitating contracts and local participation for community development. Governments in both destination and countries of origin of tourists and investors are responsible for providing appropriate legislation for sustainable tourism development, and to follow up the tourism projects with sufficient monitoring and appropriate sanctioning. Exchange of successful experiences of sustainable tourism projects is an important factor in this connection. Lastly, an interdisciplinary approach to the problem is necessary: using local, regional and/or international consultative forums.



# The Perils of Social Development without Economic Growth: The Development Debacle of Kerala, India

Joseph Thamaramangalam

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*A number of influential experts in the field of international development regard Kerala as a unique model of development because it has been able to achieve exceptional social development in such areas as health, education, and even the demographic transition, despite low economic development and low per capita income. Inverting the model, however, we find that in sharp contrast to the experience of the high-growth economies of Asia social development in Kerala has been accompanied by economic stagnation, if not deceleration in growth. This paper explores the social, political, and cultural roots of this paradox and suggests that economic stagnation can be seen to be inherent in the very pattern of Kerala's social, political and cultural development. In particular, it draws attention to (1) a pattern of state, politics, and society that may have undermined the autonomy and rationality of institutions of civil society, and (2) a pattern of political and cultural discourse that may have undermined the basis of innovation, at least in certain domains of society and culture.*

The Malayalam speaking people of South India offer an example for the whole Earth. Extraordinary efficiencies in the use of the Earth's resources characterizes *[sic]* the lifestyles of the 29 million citizens of Kerala. Following the Kerala leadership we can see our way to prudent human behaviour maintaining high life quality through the twenty-first century. --W.M.Alexander<sup>1</sup>

The Kerala model of development has almost reached the end of its tether. The paradoxical phenomenon of rapid social development unaccompanied by corresponding gains in economic growth has been exhausting itself. K.K. George<sup>2</sup>

Not one of my two sons or my brother's sons or my sister's sons has taken up the occupation of coconut-picking. In fact there is not a single family in our community (caste) which has a son in this occupation.

After all, climbing trees and picking coconuts requires hard physical work, not the game of tricking and hoodwinking, to which the new generation in Kerala has now become accustomed. -- An elderly coconut picker and a lifelong activist in the Communist Party of India commenting on the severe shortage of coconut pickers. (Interview with the author, 1994).

• I am grateful to Michael Tharakan, T.T. Sreekumar, K.K. George, and the four anonymous readers and the editors of the *Bulletin of Concerned Asian scholars* for their helpful comments on an earlier draft of this paper. I also wish to acknowledge the Shastri Indo-Canadian Institute, the Social Sciences and Humanities Research Council of Canada, and Mount Saint Vincent University for their financial support for my research in Kerala over several years.

Kerala is a relatively poor state in a poor country, India. Yet the people of Kerala (hereafter called "Malayalees" since they are speakers of the Malayalam language) appear to enjoy a better standard of living than people in any other Indian state and in the other low-income countries of the world. (They may even be better off than people living in particular areas of the United States, if we accept certain definitions of well-being and quality of life.) It is not surprising that Kerala has been held up as a model for poor countries.

Scholarly interest in Kerala as a "model" appears to have been triggered by the publication in 1975 of a pioneering study on Kerala's path to development conducted by the Centre for Development studies (CDS) [Thiruvananthapuram, Kerala's capital city]. Challenging the dismal picture of poverty in Kerala painted by Dandekar and Rath in their influential report on poverty in India, the authors of the CDS study pointed out that Kerala's people had, in fact, achieved a relatively high degree of human development and quality of life despite low per capita income and consumption expenditure. They also suggested that this was the result of the pattern of development pursued in Kerala.

The so-called "Kerala model of development" has become part of the broad global debate about development in the "third world" and it is studied by prominent experts in the field of international development, particularly from the political left and by generally admiring researchers from Europe and America (see resource list below). One admirer has gone so far as to recommend Kerala as a sustainable and Eco-friendly model for the whole world in the twenty first century. It is ironic, however that in the 1990s the most enthusiastic admirers of the Kerala model have been based in the "first world," especially in the United States, while analysts and policy makers in Kerala have been engaged in a soul-searching self-analysis and self-criticism that has often sunk into the depths of despondency and despair. For Kerala is in the throes of a major fiscal, economic, political, and cultural crisis that threatens not only its future development, but the very sustainability of what has already been achieved. Nowhere was this more evident than at the International Conferences on Kerala Studies held in Kerala's capital (Thiruvananthapuram) in 1994 and in New Delhi in 1996. The major theme of both conferences was the crisis in Kerala's development.<sup>5</sup>

Delivering the presidential address at the 1994 conference, which was organized at the initiative of the Communist Party of India-Marxist (hereafter CPM), the Party's nonagenarian leader E.M.S. Namboothiripad said:

I make a request: let not the praise that scholars shower on Kerala for its achievements divert attention from the intense economic crisis that we face. We are behind other states of India in respect of economic growth, and a solution to this crisis brooks no delay. We can ignore our backwardness in respect of employment and production only at our own peril.<sup>6</sup>

And this comes from the most illustrious leader of a party that has a greater claim to be a patron (or even an architect) of the Kerala model than any other single organization, present or past. It is significant that some of the organizers of the 1994 conference in Thiruvananthapuram stated that "the focus of discussion at the Congress was more on the contemporary crisis and the possible solutions rather than on the, much acclaimed achievements of the past."<sup>7</sup> It is important to ask whether or not the perceived failures are inherent in the Kerala model, that is, are the patterns of social, political, and cultural development that have produced the quality of life in Kerala the same patterns that are responsible for the failures? If they are, then uncritically recommending Kerala as a model for the rest of India or for poor countries elsewhere, would, indeed, be a serious error.

This essay attempts to assess the achievements of Kerala, to examine the basic economic, social, political, and cultural facets of the model, and to delineate and critically examine the nature and causes of the crisis the Kerala model faces today.

## KERALA'S ACHIEVEMENTS

What has made Kerala unique is its exceptional achievements in social development and quality of life in spite of a relatively low level of economic development. Kerala's achievements are well known and well documented. An excellent summary of Kerala's achievements has been provided by Richard Franke and Barbara Chasin, especially in their popular study *Kerala: Development through Radical Reform*.<sup>8</sup> Franke and Chasin compare Kerala with India as a whole, with low-income countries elsewhere, and with the United States. They focus on per capita income and four of the most important indicators of social development: adult literacy, life expectancy, infant mortality, and birth rates. Predictably Kerala has low per capita income as measured by official statistics, but as regards the four social development indicators it is not only far ahead of India and every other Indian state (including India's richest state, the Punjab), but it also stands out among low-income countries of the world and is even on a par with some middle-income European countries.

Significantly, Kerala's achievements are distributed relatively equally across urban-rural, male-female, and low caste-high caste populations. In this respect Kerala outshines the rest of India and the rest of the world. Thus, for example, the male-female gap in literacy rates for Kerala in 1981-82 was 75-66 percent, as against 47-25 percent for India. Life expectancy for males (in 1981-82) was, in fact, lower than for females (64 years for males vs. 68 for females) the corresponding numbers for the rest of India are 57 and 56 years. More than one-half of Kerala's low-caste population are literate (56 percent, while the national literacy rate (Kerala included) is only 21 percent. Kerala is the only state in India in which women outnumber men. This achievement, which the state has shown for a long time, is a result of the greater access that women have to food, education, and health care in the state.

Another feature of Kerala—hailed as “striking” by Jean Dreze and Amartya Sen in their comparative study of hunger and public action—is the very low incidence of “severe under-nutrition” among children and adults in Kerala. They find this “a matter of particular importance for health, well-being and survival.” Only 1.5 percent of Kerala's children between the ages of one and five suffered from severe under-nutrition in 1982; in India as a whole the percentage was 6.1<sup>10</sup>

Recent comparisons provided by Sen are even more “striking”: the survival chances of men and women in Kerala are better than those of Blacks in the United States, and female literacy rates in Kerala are higher than those in every province in China.<sup>11</sup> There are other indicators of Kerala's high quality of life, some easily measured, others more intangible.

### Resource Materials on Kerala

See especially the popular book by Richard Franke and Barbara Chasin, *Radical Reform as Development in an Indian State* (San Francisco: Institute for Food and Development Policy/IFDP, 1989) and an updated edition entitled *Kerala Development through Radical Reform* (New Delhi: Promila, 1994, in collaboration with IFDP, San Francisco).

William M Alexander, “Exceptional Kerala: Efficient Use of Resources and Life Quality in a Non-Affluent Society,” *GAIA (Ecological perspectives in Science, Humanities and Economics)*.

K. K. George, *Limits to the Kerala model: an analysis of fiscal crisis and its implications* (Thiruvananthapuram: Centre for Development Studies, 1993). Monograph series.

Robin Jeffrey, *Politics, Women and Well Being: How Kerala Became a Model* (Delhi: Oxford University Press, 1992).

MA. Oommen, ed., "Essays on Kerala economy" (New Delhi: Oxford and IBH, 1993).

John Ratcliffe, "Social Justice and the Demographic Transition: Lessons from India's Kerala state," *International journal of health services*, 8 no. 1 (1978): 123-144

Amartya Sen, "D.T. Lakadawala Memorial Lecture" (New Delhi: Institute of Social Sciences), 1994.

Jean Dreze and Amartya Sen, *Hunger and Public Action* (Oxford: Clarendon Press, 1989)

A special issue of *Monthly Review*, January 1991, was devoted to Kerala with a lead article by Frank and Chasin and comments from Samir Amin and others

\*See also the special double issue of *Economic and Political Weekly* (Bombay) 30, nos. 35 and 36 (1990), devoted to Kerala's development experience

Examples of the latter are Kerala's high levels of social mobilization and democratic participation, an exceptionally high readership of newspapers and magazines, a writers' cooperative that may be the world's first and most successful, and an equally pioneering and successful people's science movement. The most intangible indicator of all, perhaps, is the new sense of dignity and self-worth that the formerly oppressed and humiliated sectors of its population possess.<sup>12</sup>

In the context of the debate about third world development, Kerala's most striking achievement may be that it has surpassed the expectations of demographers and has reached the "third stage of the demographic transition" within two decades<sup>13</sup>. Kerala's fertility rates—achieved without compulsion—are now lower than those in China and countries in the "upper middle-income" bracket.<sup>14</sup>

It is noteworthy that Kerala's achievements have been mutually reinforcing. Thus the demographic transition in Kerala, so remarkable by third-world standards, becomes intelligible only when we understand the intangible and mutually reinforcing consequences of such achievements as female literacy and education, general social mobilization and a high level of social consciousness, health and general social well-being.

## **HOW KERALA BECAME A MODEL: THE HISTORICAL BACKGROUND**

What historical processes have led to Kerala's achievements? And what are the key economic, political, social, and cultural factors in the Kerala model of development? In this section I shall identify and analyze the major historical factors in the sections that follow I shall examine the major socio-economic and cultural dimensions of Kerala's development.

The Malayalam-speaking nation of Kerala became a state in 1956 when most Indian states were reorganized on the basis of language. The two princely states of Travancore and Cochin and the Malabar district of the Madras Presidency of British India were combined to form Kerala. At least some of the

essential elements in the Kerala model have a history that predates the creation of the state of Kerala. Travancore was regarded as a model native state at least as early as 1867, when a British secretary of state for India proclaimed it as such in Britain's House of Commons. Travancore's smaller neighbor, Cochin, followed close behind with respect to the attributes that made Travancore a model state. To be sure, the Rajah's of Travancore had established a British-style administration and had even encouraged the activities of European missionaries who were attracted to the region in large numbers because of the presence there of a sizable and wealthy community of ancient Christians. More important, the Travancore rulers (and the Cochin rulers as well) launched economic enterprises (e.g., plantation, agriculture and agri-based industries) and encouraged and even subsidized other commercial and capitalist developments. They also pioneered progressive social policies, especially in education and public health in particular, the state developed a successful educational system that integrated the traditional and the new: Malayalam and English, government schools and government aided private schools. The new educational system was open to large sections of the population including many previously disadvantaged groups.

A tradition of social and political mobilization began to emerge in Kerala in response to these changes.<sup>15</sup> While increases in education and social consciousness among the previously disadvantaged challenged the old order, the new resources that were made available by the growing commercial-capitalist economy and expanding educational opportunities opened up new possibilities for social mobility outside the framework of the caste-based ascribed-status system.

The first such movements were the social reform and protest movements organized by castes and communities who had suffered deprivation under the old system. Ironically, it was the upper-caste Nairs<sup>16</sup> who set the ball rolling in 1891 with the "Malayalee Memorial" statement, submitted to the Dewan (Prime Minister), protesting against the dominance of Tamil Brahmins in government service in Kerala. This was followed by one of the most significant social protest and reform movements in Kerala, led by Sree Narayana Guru of the Ezhavas, the largest caste overall and the most important of the lower castes. Originally intended as a non-sectarian movement open to all, the Sree Narayana Dharma Paripalana Yagam (SNDPY) eventually became an influential caste association. There followed a series of similar movements and caste organizations among the Pulayas, the Syrian Christians, and among the Nairs. In the 1930s the issue that dominated Kerala was the demand of the Ezhavas and other lower castes to enter the Hindu temples and the temple premises. This demand led to the famous temple entry proclamation of 1936.

From 1888 on, Travancore, the model state, began to experiment with popular assemblies, which became more and more democratic by the 1920s and the 1930s. Intense mobilization and agitation by communal and caste organizations led to an arrangement of proportional representation or quotas for them in the assembly. Eventually, however, the communal road seems to have led to secular politics, as George Matthew has argued in a book by the same title<sup>17</sup>.

To the extent that caste and communal conflicts have persisted in Kerala, they have generally been fought within the framework of the democratic political game and with relatively little inter-religious violence or strife. Recent reports, however, suggest a retrogressive trend in this respect.<sup>18</sup> No doubt the resurgence of caste-ism and communalism in Kerala is due at least in part to the current developmental and social crisis in the state.

In the 1930's the Malayalees began to organise new kinds of social movements—nationalist movements responsible government and socialist and communist movements, which spread rapidly. On the eve of World War II, the newly formed Communist Party in Travancore was engaged in an intense drive to

organise various sectors of the working classes, including landless agricultural laborers, into trade unions, while their comrades in Malabar concentrated on organizing the peasantry against landlordism. The Communist Party entered electoral politics in the post-independence period with a strong base in working-class and mass organisations.

When elections were held in Kerala in 1957, the newly established state achieved international renown by democratically electing the Communist Party to power. It was this government that launched some of Kerala's most radical and comprehensive reforms and social welfare measures, including the much-discussed land reform. A "liberation struggle," spearheaded by the Christian churches and the Nair Service Society, led to the dismissal of this government by the central government in Delhi in 1959.<sup>19</sup> Political forces in Kerala fragmented in the post-1959 period, but a variety of parties are broadly grouped into two alliances led by the CPM and the Congress Party (giving the appearance of a two-party system). Although the logic of coalition politics leads to alternating shifts in the electoral fortunes of the two "fronts," the communist parties, particularly the CPM, have continued to play a prominent role in "public action" in Kerala, and have remained strong even in the global "post communist" era. Increasingly fragmented and unable to replenish itself with fresh recruits and energy, the CPM has seen its influence wane in recent times.

Historians have generally stressed the connection between a tradition of continuous struggles and the trajectory of Kerala's development. By the end of the second world war Kerala's people believed strongly that they had entitlements and that they had a right to protest about social conditions and to demand redress. In tandem with the evolution of public politics was the evolution of a state that had to respond to popular demand. As the politics of agitation and struggle led to increasing fragmentation of politics in Kerala the imperative to respond to such demands became even more urgent. The result was the creation of one of the most extensive welfare states by third world standards—an important dimension of the Kerala model. Kerala's state-sponsored welfare measures have other roots, of course, especially the influence of socialist and communist ideologies that regarded such state intervention as ideal and desirable.

## **DEVELOPMENT WITHOUT A PRODUCTIVE BASE**

Many observers have concluded that the Kerala model is unsustainable because of a three fold economic crisis: a progressively worsening fiscal situation, prolonged economic stagnation and even decelerating growth, and the continuing inability of the economy to generate employment for Kerala's people. What is worse, these economic problems appear to be inherent in the model, and not anomalies that can be easily overcome.

### *The Fiscal Crisis*

In an excellent study of the fiscal problems of Kerala during the sixteen years from 1974 to 1990, K. K. George has clearly illuminated the systemic nature of these problems and convincingly demonstrated the fiscal unsustainability of the Kerala model.<sup>20</sup> Basically, Kerala's problem is that it does not and cannot generate enough revenue to finance and maintain its social development, with the result that the state faces progressively worsening deficits. These deficits are not only substantially bigger than those of other Indian states, but are different in origin and nature.

First, the deficits are largely in the revenue account that finances current consumption. The government has been attempting to finance these deficits by using capital receipts and public accounts.<sup>21</sup> This severely reduces the government's ability to make capital expenditures. The government has also been dipping into its public accounts, such as Insurance and Pension Funds, with the result that it is unable to meet its fiduciary obligations - behavior that would result in severe punishment for private trustees of such funds

in most modern societies.

Second, the revenue expenditures are inherently liable to increase over the years not only because of inflation but also because of second-generation requirements of social development. For example, health care expenditures and pension payments have been going up as the increase in life expectancy has risen dramatically.

Third, the Kerala government's ability to expand its resources is severely constrained by a variety of factors including stagnation in the tax base and control of taxation policy by the national government. (The state government, for example, has no control over the substantial remittances sent back to the country by Malayalees employed abroad)

Fourth, as will be seen below, the Kerala government's status as the biggest entrepreneur in the state and the owner of the largest number of public undertakings among all states in India has become a serious economic liability.

Fifth, Kerala has apparently been unable to obtain its fair share of the national government transfers that are distributed according to rules and priorities that do not take into account the specific nature of Kerala's problems. For example, Kerala does not receive its share for social development since it is seen as having reached the national targets—despite the fact that the state is unable to make the recurring expenditures needed to sustain these achievements.

Those who celebrate the Kerala model generally suggest or at least imply that Kerala has made a morally superior choice in favor of human development and quality of life over economic growth. More will be said about the false paradox below; the idea that there is such a choice needs to be quickly laid to rest. For as George has shown clearly, Kerala is not able to sustain its achievements and it is losing its lead in social development itself. It has been pointed out, for example, that since the mid-1970, Kerala has been reducing its share of expenditures on social development (e.g., education and health) because of its fiscal crisis and apparently also because of a shift in government priorities.<sup>22</sup> Since most of the available funds for social development are spent on salaries, very little is left for current expenses or for modernizing facilities. Kerala's social security system is also under a severe strain due to the increasing numbers of the unemployed and the needs of pensioners whose benefits have not kept pace with inflation. The erosion of the state's much admired public distribution system is likely to have serious consequences in Kerala in the future since Malayalees are now more dependent on food imports than at any time in the past.

Kerala has already lost its lead in education and health: Punjab has overtaken Kerala in per capita expenditures on education and both Punjab and Rajasthan in per capita expenditures on health.<sup>23</sup>

### Economic Stagnation

The fiscal crisis described above reflects a deeper structural crisis of continuous stagnation in the productive sectors of Kerala's economy. Experts who have examined the development of Kerala's economy since the mid-1970s have shown remarkable consensus in arguing that the stagnation is both all-pervasive and deep-rooted. Kerala's per capita income is not only significantly lower than the national average, it has also been steadily declining in relative terms since the 1970s. Between 1970-71 and 1985-86 per capita income increased from Rs. 594 to 636 (in 1970-71 prices), while nationwide the growth was from Rs. 718 to 798.<sup>24</sup> In fact, Kerala's per capita income as a percentage of India's

declined from 93 percent in 1970-71 to 90 percent in and 73 percent in 1987-88 25 and to 70 percent by the 1990s.<sup>26</sup> The gap between Kerala and the Punjab, the country's most dynamic state, has widened steadily: by 1987-88 Kerala's per capita income was only a little over two-fifths of the Punjab's.<sup>27</sup>

Similarly, growth in Kerala's state domestic product (SDP) has been quite dismal. K. P. Kannan calculates that between 1974-75 and 1985-86 Kerala's SDP grew by only 1.76 percent while in the period 1962-65 to 1974-75 the increase was 3.2 percent.<sup>28</sup> Between 1980-81 and 1989-90 the share of Kerala's SDP in the GNP declined from 3.3 to 2.6.<sup>29</sup> Kannan regards 1975 as the crucial year in which Kerala's economy began receiving large amounts of remittances from abroad. Paradoxically, this was also the year in which the state's economic performance began to show a real decline. The modest growth registered since 1975 has been due largely to a great spurt of growth in the tertiary sector (the service sector). The secondary sector (i.e., industry) grew by 2.15 percent as against 4.71 percent during the period 1962-65 to 1974-75 the agricultural -or primary- sector showing real negative growth of 0.70 as against a growth rate of 2.23 percent during what Kannan calls the "first" period, i.e., 1962-65 to 1974-75.

Kannan and Pushpangadan's study of agriculture in Kerala found that from the mid-1970s to the mid-1980s rubber was the only crop that showed any increase in output. There was a decline in output for paddy, tapioca, banana, coconut, cashew, and arecanut, and stagnation in the case of pepper and cardamom. In the case of the two main food crops, paddy and tapioca, the decline was the result of a fall in area planted, while for banana and cashew production a decline in yield was to blame.<sup>30</sup> As will be seen below, the decline in agriculture was also accompanied by a fall in the absolute number of independent "cultivators."<sup>31</sup> As this has resulted in a significant fall in employment in agriculture what has happened to the traditional class of agricultural laborers remains a moot question.

More alarming for Kerala is the deceleration in industrialization, especially the dismal performance of the manufacturing sector in the second period. According to K. K. Subramanian - "Kerala's industrial performance - measured by any parameter—annual growth of its manufacturing sector, share of manufacture in the state domestic product, value added in the factory sector or any like measure—has been on a low side."<sup>32</sup> Thus, by the 1980s, Kerala - with 3.7 percent of the country's total population—accounted for only 3.07 percent of the number of factories, 3.12 percent of employment, 2.61 percent of fixed capital, 2.56 percent of gross output, and 2.90 percent of net value-added in the factory sector of the country. Between 1980-81 and 1987-88 Kerala recorded only a pitiable 1.73 percent in value-added in manufacturing as against the annual compound growth rate of 10.56 percent for all of India.<sup>33</sup> Kerala's share of exports, well above the all-India average in the past, has also been failing: from 17 percent in 1966-67 to less than 5 percent in 1989-90.<sup>34</sup>

As India enters a new era of accelerated industrialization in the 1990s it seems that Kerala is slipping farther and farther behind the nation as a whole and, in particular, behind such industrially dynamic neighboring states as Karnataka and Tamil Nadu. In the scramble for attracting investments in the post-liberalization period, Kerala is yoked with Bihar, a state that has become synonymous with persistent failures on the development front.<sup>35</sup>

### Unemployment

The third dimension of Kerala's economic crisis is the state's acute and ever-rising level of unemployment. Here, too, there are Kerala-specific characteristics to analyze. From every possible parameter of measurement Kerala has the worst record of unemployment in the country. With less than 4 percent of India's population Kerala accounts for nearly 16 percent of the country's unemployed. In



terms of the relative intensity of unemployment (ratio of the state's share of the unemployed in the total unemployed in the country to its population share - India's being number one) Kerala's figure of 4.63 is way above that of any other state. The second highest state, Tamil Nadu, had a ratio of only 1.2. In absolute numbers Kerala's unemployed increased from 144,000 in 1965 to 1,879,000 in 1987-88.36 Not surprisingly, large number\_ of Kerala's unemployed are the educated; many are graduates and post-graduates. The greatest paradox, however, is seen among the uneducated unemployed, such as coconut pickers (tree climbers), construction workers, and especially, agricultural workers. High levels of unemployment coexist with widely reported "shortage" of labor.

As every one in Kerala knows, this is not the whole story of Kerala, however; nor do the figures given above represent the real per capita disposable income of Kerala. Had this been so it is very unlikely that there would be any admirers of the Kerala model today since Kerala would have sunk into widespread poverty long ago. Kerala has been saved from such a disaster by the very substantial remittances by Malayalees employed outside Kerala - especially in the Arabian Gulf - and also by the states rapid decrease in population growth. Kerala's real per capita income, therefore, is almost certainly higher than the Indian average. This has triggered a major consumer boom and significant growth in the service sector of the economy, which is now unconnected to the commodity-producing sectors.

Consumption levels in Kerala have moved steadily upward from a point lower than the national average in the early 1970s to a point higher than the national average in 1983-84. In per capita food consumption Kerala is now said to be behind only the two states that are the food granary" of India: Punjab and Haryana. Furthermore, R. Krishnan's data show that by 1987 consumption expenditure exceeded SDP; obviously due to the influx of remittances from abroad.

According to T. N. Krishnan, during the period 1972-73 to 1989-90 annual remittances ranged from 15 to 30 percent of the SDP. He also estimated Kerala's per capita consumption in real terms in 1994 to be about double that of 1960-61.37

The vast majority of Malayalees employed abroad are in lower-class jobs and are subject to exploitation (e.g., wages and working conditions arbitrarily determined by the employer), racial discrimination (e.g. the open and blatant practice of unequal pay on the basis of color and national origin). They are also denied fundamental human rights such as religious freedom, the right to terminate employment and return home at their choice (they are forced to surrender their passports to their employer), and to organize trade unions. It is ironic that a people who have valiantly struggled against capitalist exploitation at home, are now knowingly sending their sons and daughters to work abroad under these humiliating conditions. But then what are Kerala's choices, given that its prosperity and high levels of consumption are based on the largesse of international employers and on the ability of societies with different models of development to produce the goods so widely sought after by Malayalees today?

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## MORE PARADOXES OF THE KERALA MODEL

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It is clear that the economic and the social structure of Kerala has some unique features and is radically different from that of every other state in India. I shall highlight just a few basic features that are central to understanding the specific nature of Kerala society.

First, Kerala's agrarian economy has undergone radical and far-reaching change in the past four decades, especially from 1970 to 1973 and from 1989 to 1992, so that Kerala can no longer be classified as an

agrarian society without important qualifications. While Kerala has had a long history of commercial agriculture <sup>38</sup> its what C. T. Kurian called the new commercialization that needs to be emphasized here.<sup>39</sup> Today the production of food for consumption, particularly that of food grains is only a minor activity for Kerala's people. During the past two decades the production of food grains in Kerala declined at an annual rate of 1.09 percent; Kerala is unique in India in this respect. Area cultivated for food grains diminished from 960,000 hectares in 1970-71 to 560,000 hectares in 1990-91, and the share of cultivators in the total workforce also fell from 17.8 percent in 1971 (compared with 43.3 percent for all of India) to 13.06 percent in 1981 (India = 41.4 percent) and to 12.24 percent in 1991 (India = 38.41) <sup>40</sup>

The substantial rise in food consumption during the 1980s and 1990s, as noted above, is completely unrelated to the state's own agricultural production. The fact is that agriculture is neither a subsistence activity nor a viable economic enterprise in Kerala except for a limited number of plantation crops, notably rubber. The phenomenal rise in land prices has little to do with the value of land for agricultural use; land is real estate, needed for residential homes and as an indicator of social status; it is also generally seen to be the safest and best investment given the still volatile nature of the stock market. The radical changes in Kerala's agrarian economy have also led to transformations in the nature of agricultural activities, employment, and lifestyles. The average "farmer" in Kerala is now a "gentleman" farmer who is not engaged personally in most agricultural activities.

Second, a substantial number of "agricultural families" have non-agricultural source of income, mainly remittances from abroad or employment in Kerala's highly bloated service sector. Third, a variety of traditional economic activities, including the cultivation of many seasonal crops and many small businesses, are no longer seen to be economically viable as they do not provide what is regarded as an adequate return. Fourth, the coexistence of labor shortages with high unemployment is due in part to the perception that these jobs are not economically "worth while." More importantly, low-status and physically irksome jobs are no longer culturally desirable options.

Fifth, and perhaps most important in understanding the Kerala model, the Kerala economy exists and functions as an integral part of the Indian economy and polity and of the under developed periphery of a world economic system that at this stage needs the cheap unskilled semi-skilled, and skilled labor of Malayalees. A failure to understand this explains the naivete of those romantic scholars who project the Kerala model as the ideal for the twenty-first century.<sup>41</sup>

## **STATE, SOCIETY, AND POLITICS: A KERALA MODEL OF SOCIALISM?**

Reference was made above to the dialectics of a patronizing state that implements reform and welfare and distributes the fruits of the collective pie to various demand groups, on the one side, and, on the other-side, the organized groups that engage in political mobilization and struggles, continuously putting pressure on the state. It is widely acknowledged that Kerala's gain could not have been achieved without extensive intervention by a well-developed and well-organized state and bureaucratic apparatus that has acted in response to mobilized pressure from below. Kerala has successfully organized and administered extensive educational and health delivery systems and welfare programs. It has also implemented other radical and far reaching reforms that have been relatively effective by Indian and world standards. There is little doubt that state intervention has been instrumental in significantly reducing poverty in Kerala since the - mid 1970s. Kannan, for example, estimates that by 1983-84 the income effect of Kerala's poverty-alleviation programs represented 26 percent of the income of rural labor households.<sup>42</sup> However, this model of state intervention and politics too seems to have reached its limits and become disruptive of Kerala's economic and social development. More important, from the point of view of economic growth, it has been a "no growth" model of intervention if not an "anti-



growth" one.

One consequence of this kind of development has been that politics has been over-emphasized and over-developed and people have begun to place undue reliance on politics and the state to achieve all their goals, including economic ones. Significantly, the tradition of self-help that was evident earlier - when communities mobilized investment capital through local mutual funds (such as *kuries* and *chatties*) and banks, and banks educational institutions and hospitals with their own local resources - had practically disappeared by the 1960s.

The goals of mobilization and organized activities centered on extracting benefits from the *sarcar*, the patronizing state government: land, rice, jobs, roads, schools, and other varieties of welfare. The means to obtain all this was typically mobilization and agitation, which was not always confined to peaceful and democratic method, but included *gheraos*, sit-ins, the stoning of public buses, and other disruptive methods. (Note: a *gherao* is a form of harassment in which officials or leaders of an organization are surrounded and kept encircled by protestors until the demands of the protestors are met.) This also led to the fragmentation of politics and to destructive competition among rival parties and trade unions, preventing the articulation and pursuit of basic collective goals by the people and the state. Weak and short-lived state governments (between 1951 and 1970 Malayalees elected a new government every three years) were unable and unwilling to address some of these long-term goals or to secure Kerala's legitimate interests vis-à-vis the central government.

Furthermore, over-politicization and bureaucratic state interference, have adversely affected the orderly functioning of civil society and systematically undermined the autonomy and efficiency of economic enterprises and the educational system, among others; Public sector enterprises do not function in conformity with the ordinary norms of economic rationality; educational institutions cannot set or meet educational priorities without political and bureaucratic interference. Government loans became euphemisms for hidden subsidies since these are not backed by adequate mechanisms for recovery.<sup>41</sup>

Let us look at public sector enterprises and education, two crucial areas controlled by the state.

### Public Sector Enterprises

State government is one of the biggest entrepreneurs in Kerala.<sup>44</sup> In 1989-90 there were eighty public enterprises, excluding the state electricity Board and Transport Corporation, accounting for 9.7 percent of the total of 823 enterprises in all of India and 6.7 percent of total investments in these enterprises. But of the eighty, only thirty-two units made a profit, a total of Rs.370 million. The losses of the other forty-eight units amounted to 990 million, resulting in a net loss of 620 million to the state. Furthermore, sixty-five units had carried forward losses of Rs.530 million (from 1989-90) and thirty-seven enterprises had negative worth. The most serious issue here is probably not the losses per se, but the lack of accountability. In his 1993 study K George revealed that audits of sixty-three enterprises were in arrears and one of the public enterprises had not completed an audit since 1982-83.<sup>45</sup> The problem is a systemic one, quite basic in understanding the Kerala model.

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## THE EDUCATIONAL SYSTEM

The educational system, particularly post-secondary education, is similarly entrapped in a web of institutional, political, and cultural constraints. Mass education has been one of Kerala's greatest success stories and at the foundation of its major achievements. But post-secondary education in Kerala today is

stagnant and an unsustainable burden that does not and cannot meet the economic and social needs of society.

The great expansion in college education in Kerala began in the 1960s when in response to organized demands from various constituencies—the state government began to build or sanction the establishment of colleges offering degrees in arts and sciences.<sup>46</sup> By 1989-90 the number of students in these colleges had risen to 330,000 (from about 36,000 in 1960-61) and the number of teachers increased from 2,170 to 13,900 during the same period. This does not include privately registered students, who are allowed to take the examinations of the universities (roughly half the number of the registered students), nor those of the 331 “parallel” colleges, the 2,952 tutorial colleges catering to both university and secondary school students, or the 1,318 parallel-cum-tutorial colleges (figures are from 1989-1990).

By the 1980s Kerala was spending more than 6 percent of its SDP on education, the only state to meet the norm recommended by the Kothari Commission.<sup>47</sup> In 1988-89 the percentage for all states was 3.65 and for the richest state, Punjab, 3.26. During the past three decades (1960-1980) Kerala's expenditure on education has ranged from 30 to 40 percent of its total revenue receipts.

What returns does Kerala receive from such massive investments? Clearly, education at the primary and secondary school levels has been a success story in terms of promoting general literacy and quality of life and in providing Malayalees with a definite comparative advantage in obtaining employment abroad. But higher education is a very different story. To begin with, “affiliated colleges” spread to the towns and villages of Kerala in response to a great demand for degrees, BA's and B.Sc.'s (and later M.A.'s and M.Sc.'s), which, in a bygone era, were useful in obtaining prestigious and comfortable jobs in the civil service sector and in teaching. These institutions provided and continue to provide a type of education mostly unrelated to the labor requirements of the economy or of the development needs of the state.

First, Kerala has the worst record of educated unemployment in the country and probably in the world. In 1989 when the Kerala Public Service Commission advertised a few vacancies for the post of (bus) conductors—for which the minimum qualification was a high school diploma—the commission received 268,000 applications. Of the 6,000 who qualified for the interview 80 percent had qualifications beyond the requirement, and 20 percent of these were post-graduates (including one doing doctoral studies in laser physics). The list also included several graduate engineers.<sup>48</sup> Vast numbers of graduates are not only unemployed but unemployable. College degrees for women are seen as assets in the marriage market; it is not surprising that the unemployment rate among educated women in the rural areas in 1990 was a whopping 57 percent. Given Kerala's dependence on employment outside the state and the country, one would have expected the educational system to cater to the needs of these job seekers. In fact, however, Kerala's facilities for providing such vocational training are meager and underdeveloped, forcing large numbers of Malayalees to go outside the state for the training they need. For example, at least since the 1950s, Kerala's nurses have sought and found employment in many parts of India, in the Arabian Gulf, and in countries such as Germany, Canada, and the United States. Yet, the majority of these young women could find training only in other Indian states, not in Kerala. The issue of vocational and professional training has only recently begun to receive some serious attention in Kerala.

Second Kerala shows an inverse relationship between growth in education and economic development. In particular, the inverse relationship between rural education and agricultural growth during the past quarter century (despite many favorable circumstances and considerable government investment) has been contrary to all expectations and predictions.

Third, the quality of higher education has deteriorated to the point where it can only be characterized as dismal. Kerala's students are ill-equipped to compete in national competitive and entrance

examinations. Thus, they do not qualify for the prestigious jobs reserved for the well-educated and Kerala's unemployment problem becomes even more acute. Ironically, these young people provide employment for teachers in hundreds of private tutorial colleges who offer them "coaching" (for a substantial fee).

The problem is not just that the system has failed, but that any attempts to restructure or rationalize the system are stymied by entrenched interests and a political system and culture that supports these interests. Suppose, for example, that a decision were made by Kerala's educational authorities to abolish the largely useless and wasteful post-graduate degrees offered in hundreds of state colleges in favor of a leaner and superior program at the level of university departments where the resources are better. It can be predicted quite safely that such a proposal would be effectively thwarted. The unions that represent thousands of teachers and non-academic staff and function under the auspices of several political parties can be expected to resist such a change to the status quo. It is likely that they would prevail.

Two former vice-chancellors complained bitterly to this author about how the business of universities, which basically ought to be higher education, is undermined by the activities of unions. More serious, the most disruptive of these activities are likely to be carried out by the non-academic staff who often lack a high degree of commitment to the main business of the universities, yet exercise considerable power through the unions and other highly politicized bodies such as Senates and Syndicates. On the other hand, those concerned with higher education—politicians, bureaucrats and academics—are unlikely even to contemplate radical measures given Kerala's political culture and their own entrenched vested interests in the system. The very terms of the discourse would have Kerala-specific characteristics—issues such as employment security taking precedence over academic issues.

In the end, when the fiscal crisis forces the government to accept spending cuts, these cuts are made without any rational ordering of priorities, wasting the vast investments already made and jeopardizing Kerala's future development.

Though only a (very small) state within the (larger) nation state of India, Kerala reveals all the signs of a bureaucratic, "socialist," welfare state system—one that is proving to be unsustainable in the new world order of the late twentieth century. At least one writer, T. J. Nossiter, has unflatteringly described Kerala as "a degenerate form of feudalism in which managerial barons, their retainers, and marauding contractors pillaged the public treasury."<sup>49</sup> Nossiter clearly overstates the case, but he is on the mark in drawing attention to the "feudal" character of the state and its predominant role as a distributor of dwindling state resources to various interest groups and to Kerala's political and bureaucratic-managerial elite.

Nossiter's characterization, of course, ignores what is perhaps Kerala's greatest achievement—a remarkably successful welfare state and a social democracy that has allowed the left and the right to compete and to come to power with very little violence. In his comparative study on state-Society relations, Peter Evans compares the "redistributive" state of Kerala with its mirror image, the "developmental-" or "growth-"states in East Asia. In both cases,, a well-developed and relatively effective state apparatus stands in relationship of embedded autonomy," a combination of close relationship and insulation, with particular constituencies. In Kerala, the connection is with mobilized groups, while in East Asia it is mainly with industrial capital.

'Given this motif, Kerala's "idiosyncratic version of 'embedded autonomy' [was] extremely well suited to accomplishing a transformative project aimed at increased levels of welfare. Evans's conclusion is that 'the Kerala Case reinforces the idea that reconstruction must involve a more encompassing definition of embeddedness.'<sup>50</sup>

Two general conclusions can be drawn from this discussion about state, society, and politics. First, state intervention in institutions of civil-society, such as education and industry, severely constrains their autonomy and rationality. These need to be restored if progress is to be made. Second the state's contribution to economic growth is so little that Kerala can be characterized as "no growth" - if not an "anti-growth" state.

Not only does the state contribute little to the task of capita accumulation, it does even less "induce" growth as most modern "developmental" states do. At least this is so from the conventional perspective of economic growth. Popular movements and democratic initiatives for total literacy or local self government—laudable and necessary as they are—cannot compensate for economic growth, at least within the framework of the world system in which Kerala is embedded.<sup>51</sup> This failure is all the more damaging since the central government in Delhi has not been particularly helpful to Kerala in this respect.<sup>52</sup>

## A CULTURAL CRISIS?

In the last analysis, Kerala, like every social system, reveals a relatively stable pattern of social behavior produced and reproduced by the members of that society in and through their everyday actions. Underlying and informing these actions, and therefore this system, is a set of values, norms, goals, and orientations to everyday life, also relatively stable over a period of time. The set of values, norms, and goals (the collective habits of mind and heart) that has come to prevail in Kerala and that bears bearing on Kerala's development experience may be called the culture of the Kerala model of development. What needs to be asked now is whether and to what extent the economic stagnation, social dysfunction, and political entropy that afflict Kerala are a reflection of a crisis at the cultural level. I contend that there is indeed such a crisis and that this crisis has resulted in society's failure to effectively articulate and pursue collective goals in a sufficiently disciplined manner, to promote adequately a social ethic that informs public life, and to generate and sustain an adequate degree of enterprise and creativity in its individual members. There are probably other aspects of this cultural crisis as reflected in such phenomena as new religious movements and cults, mental illness, crime, alcoholism, and the decline of community, but these are outside the scope of this paper. The failure referred to here must also be seen as the end result of a recent process of development. For the earlier social reform movements and the socialist - communist movements that followed were infused with high ethical values and commitments to collective goals.<sup>53</sup> The cultural crisis seems to have become aggravated in the aftermath of the ideological vacuum created by the decline of India's left parties following the rapid collapse of socialist and communist states and ideologies internationally.

from 'Steep increase in public debt'

Business Line.

THIRUVANANTHAPURAM, June 21

Less than 20 per cent of Kerala's revenue was available for developmental processes taken up by the State Government with recurring commitments such as salary and allowances, pension and interest payments eating increasingly into its pool of receipts.

This was stated here on the floor of the State Assembly by the Finance Minister, Mr. T. Sivadasa Menon, who told members that both revenue expenditure and public debt, had been climbing up between 1996 and 2000. The revenue, expenditure which stood at Rs. 6,788.11 crores in 1996-97 almost doubled to Rs. 11,218.24 crores in 1999- 2000. The figure has been



Equations

appreciating steadily during this period, notably from Rs. 8,241.12 crores in 1997-98 to Rs. 9,228.08 crores in 1998-99.

As per the 1998-99 figures, salary and allowances accounted for 44.78 percent of the State's revenue, service pension at 16.04 percent and interest payment at 20.09 percent the total debt as on March 31, 1999, was put at Rs. 15,700.28 crores. The per capita debt, after providing for the total debt and interest there on, was at Rs. 5,923.66 in, 1999-2000 against Rs. 4,937.19 in 1998-99, Rs. 4,085.12 in 1997-98 and Rs. 3,672.32 in 1996-97.

One dimension of Kerala's culture that is worth examining is what may be called the economic ethic of society, by which I mean culturally defined and culturally induced orientation of people towards everyday economic activities. Two aspects of this which are important here are the work ethic and entrepreneurship. There is hardly anyone today who discusses Kerala's economic failure without referring to the erosion of the work ethic.<sup>54</sup> While this concept has many complex meanings it can be broadly defined as a systematic and disciplined approach to work as a duty and a responsibility and even as an ethical ideal. Every society—feudal, capitalist, socialist or any other kind—must ensure that its members develop a certain degree of commitment to work, and carry out their duties with a sense of responsibility and accountability. In modern industrial societies where economic activities are earned out in organized enterprises in a highly coordinated and rationalized manner in order to meet standards of efficiency and productivity, these values take on even greater importance.

In Kerala the erosion of the work ethic and the lack of personal accountability are particularly acute in matters that are considered government-related or "sarcari" business. Both the administrators and the recipients of state-sponsored welfare benefits share such attitudes. Those who distribute "sarcari" patronage and benefits, such as agricultural loans, keep a share for themselves as bribes and part with the other share easily. This reality provides a perspective on another of Kerala's paradoxes: the anomalous mixture of relatively easy access to agricultural loans, low rates of loan recovery, and low productivity in agriculture. A second aspect of the economic ethic is another much-discussed puzzle about Kerala, the very low levels of entrepreneurship despite the high degree of human resource development and despite the early rise of a commercially minded middle class. Instead of taking individual or collective initiative to become entrepreneurs, the Malayalees prefer the security of government jobs or similar occupations.

It is a sad irony that Malayalees, who had built the highest number of banks per capita in their towns and villages by the 1930s, must today have their remittances pooled and utilized by financial institutions based outside Kerala. In the 1930s Travancore had the highest number of banks per capita in the country, with Cochin in second place. This is a far cry from the Kerala of recent times in which substantial amounts of remittances have contributed little to the state's economic development or to the maintenance of the services necessary for its high quality of life. Today the savings of Malayalees are mobilized mainly by the national banks, the Cochin stock exchange, and by the central government. The savings by and large, are pumped outside the state. This sad and tragic story requires explanation by social scientists.

The inevitable question that arises at this point is whether left in Kerala has played a role in creating and promoting these cultural patterns that have had a detrimental effect on economic development. I would suggest that it has, but a detailed treatment of this point is beyond the scope of this paper. A whole generation of Malayalees, particularly those who were socialized within the mass movements,

internalized values and goals that have been, to say the least, unhelpful to economic growth. For example, it has been taken as self-evident socialist axioms that socialist production was not only ethically superior, but economically more rational and efficient since it released the suppressed energies of the people, that state ownership was an effective means for rationalizing the economy and accelerating growth, that land reforms would lead to significant increases in agricultural production and that maintaining employment was not merely more humane, but also economically more rational than introducing technological innovations that reduced employment.

My own field notes, collected in Kerala in the 1970s, abound in such expressions by the rank and file in the left movements. Faced with overwhelming empirical evidence that belies these beliefs, people do not necessarily turn to alternative theories or belief systems. One result of this discrepancy between cultural expectations and empirical realities has been widespread cynicism about politics and a loss of faith in politicians. This, in turn, has contributed to the erosion of collective ideals and goals, and to the fragmentation of politics. In the same field or industry, trade unions working under different political parties can paralyze not only the functioning of the organization but also work at cross-purposes, undermining the collective interests of the workers themselves. When I observed this tendency among the highly successful agricultural labor unions in Kuttanad in the 1970s union mobilization had reached a plateau and had just begun to stagnate.

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## CONCLUSIONS

The paradox of Kerala is that it has achieved exceptionally high levels of social development by third world standards (including the demographic transition), while at the same time it has been slipping behind the rest of India in economic development. Kerala's social development has involved a commitment of fiscal support by the state government that cannot be maintained without an adequate productive base or other sources of revenue. State government in Kerala is not only unable to invest in greater social development, but it is proving to be incapable of maintaining the gains it has already achieved. In fact Kerala has already fallen behind richer states in India, like Punjab and Haryana, in such essential fields as investments in education and health care. Paradoxically, Kerala has also been experiencing an unprecedented consumption boom and increasing standards of living thanks to the remittances received from Malayalees abroad. The remittances contribute to inflation, but do not help to ease the fiscal problems because the state government has no control over these. This, in economic terms, is Kerala's dilemma.

Admirers of the Kerala model see it as a romantic dream come true—a society that has emphasized and achieved high-quality of life for its people with a significant degree of equity and social justice *despite* low levels of per capita income and economic development. However, our understanding is enhanced if we turn the model on its head. The question then becomes not how an economically backward society managed to achieve such high social development, but how a society with such a wealth of social and human resources and at least some economic factors in its favor has shown itself to be unable to mobilize and harness these resources to reach a level of economic development commensurate with its social development.<sup>55</sup>

Kerala stands in sharp contrast today to the Southeast Asian countries whose investments in human development have led the way to rapid economic development. But deficiencies in the Kerala model became visible only in the 1970s, although their roots probably go back to the 1950's and 1960s, if not earlier. The rulers of Travancore were investing in human development even earlier than those in the so-called Asian tigers, and they were doing so while making gains in economic development, particularly in cash crop agriculture, commercial rice growing, agri-based industries, and in various forms of banking.



The political right blames the left for the debacle in Kerala, citing in particular, ineffective land reform programs, militant unionism, and over-politicization. While this is an oversimplification, the argument is not without merit. Although there is no evidence that land reforms in Kerala have affected agricultural productivity negatively it is clear that they did not lead to anticipated increases in productivity. Furthermore, while unionism per se may not have hindered Kerala's economic development, there is strong evidence to suggest that the state's industrialization and economic development have been hampered by restrictive labor practices, disruptive politics of competing unions, and efforts by some unions to prevent modernization and technological innovation, particularly in the coir and cashew industries.

Even more important is the impact of a tradition and culture that regard a patronizing state as the central institution in initiating and managing increasingly larger spheres of economic and social activities, while, at the same time, they discourage private enterprise and devalue institutions of civil society. The initiative and enterprise of community associations that played such a crucial role in the earlier development of Kerala society were undermined as they became inextricably entangled in the scramble for state patronage. The fragmentation of politics and the erosion of collective purpose and commitment that are now characteristic of Kerala society are, in no small part, a consequence of this.

The left generally tends to attribute Kerala's failures to external factors such as Kerala's historical development of Underdevelopment, constraints imposed by the imperialist, world capitalist system and its institutions, and discriminatory treatment by the central government (especially in relation to investments in the state). There is truth to these charges, to be sure, but they are no longer useful as explanations for Kerala's basic problems. We need to explain why the state with all its advantages has not been able to transcend its colonial condition and join a resurgent Asia and why Kerala has not been able to do better withstanding discrimination by the central government.

Economists cite the following contributing factors as explanations for Kerala's dismal economic performance: insufficient natural resources, structural distortions, low investment, and a lack of entrepreneurship. The natural resources explanation has merit, but the others largely beg the question since they require explanations themselves. Anyone interested in Kerala's development today cannot ignore the question of why its people show such a collective inability to run economic enterprises or to produce commodities (agricultural or industrial) with the minimum of efficiency required to be competitive in the Indian, Asian, or world market—without protection and subsidies. This is, indeed, a cultural and human problem for a people who have achieved relatively high levels of human development.

It is a sobering thought that what appears to be a noble and radical defiance of the global capitalist model and its rationality—in favor of equity and quality of life—may, in fact, have—deeply conservative roots. The status quo not only represents the least line of resistance in a difficult political situation, it also serves the interests of powerful groups. Several favorable factors have so far enabled Malayalees to sustain their achievements in human development and to maintain a level of consumption that way be far above the national average. But there is something precarious and intrinsically unsustainable about the lifestyle and “model” of a people who live as hewers of wood and drawers of water at the periphery of a capitalist world with little power to maintain even this lowly status.

*End Notes*

1. William M Alexander, "Exceptional Kerala: Efficient Use of Resources and Life Quality in a Non-Affluent Society", *GAIA (Ecological Perspectives in Science, Humanities and Economics)*, 3, no.4 (Heidelberg: Spectrum Akademischer Verlag GmbH, 1994).
2. K. K. George, *Limits to Kerala Model of Development: An Analysis of Fiscal Crisis and its Implications* (Thiruvananthapuram: Centre for Development Studies, 1993), Monograph Series, p. 133.
3. Centre for Development Studies, *Poverty, Unemployment and Development Policy: A Case Study of Selected Issues with Reference to Kerala* (New York: United Nations, Dept. of Economic and Social Affairs, 1975).
4. Alexander, "Exceptional Kerala."
5. See *International Congress on Kerala Studies—Abstracts*. Vol.1 (Thiruvananthapuram: A. K. G. Centre for Research and Studies, 1994, 5 vols.). (Hereafter cited as *ICKS—A*). See *International Conference on Kerala's Development Experience: National and International Dimensions. Abstracts* (New Delhi: Institute of Social Sciences, 1996).
6. E. M. S. Namboothiripad, "Presidential Address," in *ICKS—A*, p.4.
7. Thomas Isaac and Michael Tharakan, "Kerala: Towards a New Agenda," *Economic and Political Weekly* 30, nos. 31 and 32 (1995): 1,993-2,004.
8. Richard Franke and Barbara Chasin, *Kerala: Development through Radical Reform* (San Francisco: Institute for Food and Development Policy, 1989); see also Richard Franke, *Life is a Little Better: Redistribution as a Development Strategy in Nadur Village, Kerala* (Boulder: Westview Press, 1993).
9. As we shall see later, the comparison of per capita incomes is problematic because of the significant gap between official per capita income figures and the real per capita purchasing power
10. Jean Dreze and Amartya Sen, *Hunger and Public Action* (Oxford: Clarendon Press, 1989). p.221.
11. Amartya Sen, "D.T. Lakadawala Memorial Lecture" (New Delhi Institute of Social Sciences, 1994).
12. See my earlier monograph, Joseph Thamaramangalam, *Agrarian Class Conflict: the Political Mobilization of Agricultural Labourers in Kuttanad, South India* (Vancouver: UBC Press 1981) pp. 94-95.
13. K. C. Zachariah et al, *Demographic Transition in Kerala in the 1980s* (Thiruvananthapuram Centre for Development Studies, 1994).
14. Gita Sen, "Social Needs and Public Accountability: The Case of Kerala, *development policy and Public Action* (Oxford: Oxford University Press, 1992)
15. The tradition of mobilization and struggle has gone through different phases and this has been variously described by historians. In *Politics, Women and Well Being* (Delhi: Oxford University Press, 1992). Robin Jeffrey refers to the tradition of "public politics" in *Hunger and Public Action*, Dreze and Sen use "public action"; Marxists generally describe mobilization and struggle as varieties of class struggles. See Thamaramangalam, *Agrarian class struggle*
16. This caste (community), well known in anthropological literature for its matrilineal system of earlier times, is also spelled as *Nayar*. *Nair* is the most common current usage in Kerala.
17. George Mathew, *Communal Road to Secular Kerala* (New Delhi: Concept Publishing House 1989).

18. Issac and Tharakan, "Kerala: Towards a new agenda"
19. See Thamaramangalam, *Agrarian Class Conflict* On land reforms in Kerala, see Ronald Herring, *Land to the Tiller. The Political Economy of Agrarian Reform in South Asia* (New Haven Yale University Press, 1983).
20. George, *Limits to Kerala Model of Development*. See also his later papers, "Whither Kerala Model?" presented at the International Conference on Kerala Studies, A.K.G. Centre, Thiruvananthapuram, 1994, and "Liberalization: What It Foretells Different States," presented at the Conference on Regional Disparities in India, Guwahati, 1996.
21. According to K. K. George, in 1986-87, 1987-88 and 1989-90 revenue deficits absorbed more than a quarter of Kerala's total capital receipts.
22. See George, "Whither Kerala Model?" p.8.
23. George, *Limits to Kerala Model*, p. 119.
24. M.A. Oommen, ed., *Essays on Kerala Economy* (New Delhi: Oxford and IBH), p. 154.
25. George, *Limits to Kerala Model*, p. 6.
26. Oommen, *Essays on Kerala Economy*, p.210.
27. George, *Limits to Kerala Model*, p. 6.
28. K. P. Kannan, "Kerala Economy at the Cross Roads?" *Economic and Political Weekly* 30,nos. 35 and 36(1 September 1990): 1951-1956
29. Oommen, *Essays on Kerala Economy* p. 210.
30. K. P. Kannan and K. Pushpangadan, 'Dissecting Agricultural Stagnation in Kerala: An Analysis across Crops, Seasons and Regions,' *Economic and Political Weekly* 30. nos 35 and 36 (1 September 1990): 1991-2004.
31. C. T. Kurian, "Kerala's Development Experience: Random Comments about the Past and Some Considerations for the Future" ICKS-A1(1994): 27.
32. K. K. Subramanian, "Development Paradox in Kerala," *Economic and Political Weekly* 30. no. 37(15 September 1990): 2053-2058.
33. *Ibid.*, p.2053
34. Oommen, *Essays on Kerala Economy*, p.2 11.
35. George, "Liberalization," p. 262. There is a joke among Indian Marxists that refers to Bihar as the world's most advanced communist society in which the state has already withered away. Bihar's economic failures are also associated with increasing levels of social and political disorder and violence.

36. Oommen, *Essays on Kerala Economy* pp. 108-110.
37. R. Krishnan, "Kerala: A Fall from Grace," *India Today*, 15 November 1994, p. 147. Krishnan estimated remittances to be on the order of some 1,000 to 1,500 million rupees during the past two decades. See also T. N. Krishnan, "Foreign Remittances: Consumption and Income," *ICKS—A* 2(1994): 58-59.
38. Joseph Thamaramangalam, "Penetration of Capitalism and Agricultural Change in Southwest India," *Bulletin of Concerned Asian Scholars* 16, no. 1(1984): 53-62.
39. C. T. Kurian, "Kerala's Development Experience," p. 25.
40. *Ibid.*, p. 27.
41. A genre of popular writing about the Kerala model of development is exemplified by such writers as Franke and Chasin, *Kerala: Radical Reform As Development* and Alexander~ "Exceptional Kerala" fails to take account of this. In the second edition of their book, *Development through Radical Reform*, Franke and Chasin acknowledge this in responding to the criticism raised in Robin Jeffrey's review of their book. See Robin Jeffrey, "Kerala's Story: Review of Kerala. Radical Reform as Development in an Indian State," *Economic and Political Weekly* 29, no. 10(5 March 1994). 549. But by not making this structural linkage an essential part of their analysis they present the model as sustainable when, in fact, its sustainability may depend important ways on this structural linkage.
42. K. P. Kannan, "Public Intervention and Poverty Alleviation: A Study of the Declining Incidence of Poverty in Kerala, India," *Development and Change* 26, no.4 (1995) 721.
43. George, *Limits to Kerala Model*, pp. 35-37.
44. Mohanan Pillai, "Some Aspects of Performance of State Sector Enterprises in Kerala." Working Paper no. 234 (Thiruvananthapuram Centre for Development Studies, 1990).
45. George, *Limits to Kerala Model*, p. 35.
46. The following data are drawn from Oommen, *Essays on Kerala Economy*, pp. 118-119.
47. The Kothari Commission was charged with examining and making recommendations to improve education and educational policies in India.
48. *Ibid.*, p. 114.
49. T. J. Nossiter, *Communism in Kerala* (Delhi: Oxford University Press, 1988), p.289.
50. See Peter Evans, *Embedded Autonomy: States and Industrial Transformation* (Princeton, N.J.: Princeton University Press 1995). p. 237.
51. Some authors such as Franke and Chasin and Tornquist and Tharakan have seen significant new development initiatives within the left in Kerala. Frank and Chasin seem to put much hope in the "new democratic initiatives" of the left such as the total literacy campaign and the resource mapping project. See especially the new edition of their book, *Development through Radical Reform*. pp. 24-30. Tornquist and Tharakan distinguish between the approaches of the more traditional "state-modernist" and the new

left "popular developmentalist" schools, and have made a detailed study of the work of the latter whom they refer to as the PDs. Their conclusion is that even this "exciting new project" and "fresh start" have been failures. See Olle Tornquist and Michael Tharakan, "Democratization and Attempts to Renew the Radical Political Development Project," *Economic and Political Weekly* 31, nos. 28, 29, 30 (3 parts: 13 July 1996, 20 July 1996, and 27 July 1996). I would like to point out that I consider some of these popular movements extremely significant not only for Kerala but for the world as a whole. In particular, the work of the Kerala Shastra Parishat (the People's Science Movement) on the environmental front, and the total literacy program under its leadership have been influential in raising peoples' consciousness, improving the general quality of life, and democratizing society. It is my view, however, that none of these movements has been able to address the issue of the serious fiscal problems of a modern welfare state or of economic growth in a Kerala that is inevitably embedded in an Indian and global system. In general, the paradigms of the left are not new (were not some of the methods of the PDs once tried in China and Cuba?), its prescriptions amount to "more of the same"

52. There is a strong view across Kerala's political spectrum that the federal system, especially the fiscal and development policies of the central government, have been unfavorable to Kerala, if not discriminating altogether. See, for instance, the works of K. K. George and M. A. Oommen, which have been extensively used in this paper.

53. Malayalees had also shown a relatively high degree of entrepreneurship in the earlier period, perhaps up to the 1950s.

54. It may be pointed out that in recent years some leaders of the CPM including E. M. S. Namboothiripad, have been discussing the issue of improving the work ethic in Kerala. Tornquist and Tharakan also make the point that improving the work ethic has been one of the projects of the "state-modernists. See Tornquist and Tharakan, Democratization and Radical Development project".

55. Whatever Kerala's limitations, it does have the advantages of high savings rates and the inflow of remittances, as well as comparative advantages in areas such as plantation agriculture, and now a rapidly falling population.

# Managing the Other of Nature: Sustainability, Spectacle, and Global Regimes of Capital in Eco-tourism

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*Societies as well as individuals display obsessive traits. Those activities in which great collective hopes are crystallized remain immune from suspicion during the search for the causes of social decay. Elaborate rationalizations masquerade as statements of enlightened public policy.*

William Leiss 1974:vii

*A view of nature can be seen as a projection of human perception of self and society onto the cosmos*

Carolyn Merchant 1980:69

*Contemporary societies are developing less on the basis of surveillance and the normalization of individuals and more on the basis of the democratization of the tourist gaze and the spectacle-isation of place.*

John Urry 1990:156

In the literature on global economic and social development, the sub-field of sustainable development has emerged over the past twenty years, attempting to provide solutions to an ever-intensifying global crisis of environmental sustainability while upholding the imperatives of growth and development. This notion is at once exciting and terrifying. While it ostensibly represents endeavors to protect and manage the sustainability of our biosphere, it arguably serves as an increasingly efficient means for rapacious and predatory social forces to retain cultural dominance and productive security in an age of environmental panic. Whether it is the formative texts of the Brundtland Commission (the UN initiated World Commission on Environment and Development), or work by eco-modernizationists such as Pearce et al. (1990) and Jacobs (1990), sustainable development strategies have acknowledged the need to alleviate poverty and to promote mutual cooperation between the North and the South as structural preconditions for environmental protection. But simultaneously, these influential texts have failed to challenge the shifting structures of global capital that have been characterized by fluid super exploitation, the expropriation and homogenization of nature, and intensifying crises of debt and sustainability (Escobar 1995:200-203). Instead, they have opted for various forms of a contradictory eco-Keynesianism.

Of the many solutions to the global crises of economic and environmental sustainability this literature has proposed, possibly one of the more intriguing and representative is eco-tourism. Gaining popularity in the 1970s and burgeoning in the 1980s and 1990s, this "green" tourism rapidly is becoming a large percentage of the global tourist industry, itself predicted to become the world's largest industry by the year 2000 (Whelan 1991:4; Urry 1990:5). On the one hand, eco-tourism has been presented as a negotiated response to the imperatives of ecological preservation within an ecocidal system of global capital. On the other hand, it is an insidious and largely unsuccessful attempt at articulating the social misery of global capital with(in) distinct cultural and environmental limits. A critical understanding of the machinations of global eco-tourism, with all of its immanent contradictions, assists in relating it to



widely varying practices of cultural and environmental preservation or destruction, and in grasping emergent forms of global power relations. Towards this end, this essay begins with an analysis of ecotourist literature. This requires addressing a basic epistemological question that frames both the efforts of this literature and our interests in these matters: what are the contemporary scenes of nature, the global political economy, and the cultures in which the phenomenon of eco-tourism is now conceivable?

The interdependent social forces that have converged to make eco-tourism possible involve three key issues, each representing the contradictions within the discourses and institutions of both eco-tourism and sustainable development. First, we must investigate the explicit position of eco-tourism literature within environmentalist and political-economic organizations, movements, and ideologies. Here, eco-tourism appears as one emergent planning option for sustainable development in which environment has become internal to economic strategizing, offering a more just political economy of nature. Simultaneously however, it may also represent the intensifying intrusion of capital into the realm of nature, risking greater instrumental management, commodification, and marginalization of the peoples and environments of the South (e.g., Boo 1990; Berle 1991; Cater 1993, 1994:9; Ardika in Giannecchini 1992:431). Secondly, eco-tourism is an effect of cultural systems of the West which have been influenced by several historical transformations, including the popularization of nature, the politicization of consumption, and the rise of tourism as a mode of spectacularized and global consumer culture.

The production and consumption of nature tourism is thinkable only in an era in which nature has become both an unstable sphere of our panicked lifeworlds that is ever more at risk of total annihilation, and a spectacle of a postmodern commodity culture of deferred aesthetic pleasure, leisure consumption, and virtual adventure. Furthermore, the global economic context of eco-tourism is one that has been constructed throughout long and violent histories of colonialism, imposed misery, and ethnocentrism. Thus, rather than merely ratify the claim that eco-tourism ensures local participation and global democracy, its texts and subtexts need scrutiny to see if social and environmental crises are not resolved but merely rearticulated. Eco-tourism is a transformative policy of inclusion and democratization, as well as a product of a racialized justification for modernization, in which marginalized peoples are subject to a new dependency and a new colonialism. An understanding of these complexities of eco-tourism requires an examination of documentary information and literature on eco-tourism planning, development, and interpretation.<sup>1</sup> This literature reveals much not only about the phenomenon of eco-tourism, but also about the problems and promises of sustainable development.

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## **ECO-TOURISM: THE BASIC ELEMENTS OF A DISCURSIVE REGIME**

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Eco-tourism, often termed "nature tourism," is not new. John Urry suggests that popularly available forms of tourism began in the modern era, when rapid industrialization and urbanization made many in the West subject to great anxieties, disenchantment, and increasing alienation from labor, from local communities, and from nature (Urry 1990:20, 99; Merchant 1980). Modernity's great social and environmental upheavals were accompanied by romantic longings for nature as a source of inspiration, escape, and belonging, whether it was in transcendentalist philosophy, in the literary glorification of the American frontier, or in orientalist fascination with subaltern peoples. For the wealthy, adventure tours -safaris, hunting trips, journeys through the great American wilderness, excursions to remote locations in the Far East, or sea voyages to "exotic" regions -became more frequent during the late nineteenth and early twentieth centuries. Meanwhile, volunteer organizations began to organize for the tourist demands of the popular classes, resulting in a growing tourism industry which made escape from urban life more

affordable, and which was dedicated to providing experiences of pristine nature for these classes.

This proliferation continued throughout the twentieth century, and eventually, during the growth of ecological movements in the 1970s, nature tourism became consonant with the new holistic and scientific worldview. It was also part of the growing consumer culture of the post-war boom, making eco-tourism a cultural and economic practice for those more sensitized to heightened environmental destruction largely amongst the middle classes. But the romanticism and nostalgia for sustainable living and a widespread organicism became linked with the exciting tourist experiences to be had in adventurous journeys, breathtaking scenery, and often, trips to exotic lands. This represents more than just a continuation of modernist alienation seeking reconnection; it signals the convergence of environmental agendas and a distinctly postmodern consumer culture of simulation and spectacle. Eco-tourism has come to represent not only environmentalist and tourist desires, but also a potential solution to the political-economic problems of environmental decay throughout the world.

Eco-tourism texts propose establishing nature preserves to enhance ecological preservation as well as to contribute to the vitality of local economics, developing nations, and the rapidly expanding industry of global tourism. These proposals are written by the governments of over- and underdeveloped nations, tourism operators, Western non-governmental organizations, and of course, ecotourists. For most of its proponents, eco-tourism represents a body of economic and environmental planning for regions, nations, and local economies that offers a primary alternative to more ecologically or socially destructive development. Its institutional and discursive origins are in the field of development studies, especially the branch of "sustainable developments".<sup>4</sup> This branch has emerged from the intermingling of different theories of development - modernization, anti-imperialism, dependency, and world-systems - and the influence of new voices, a rearticulation of previous models that has been facilitated by a newly complex global economy, waves of decolonization and new social movements, the decline of states vis-à-vis capital, and environmental critiques of Western economic models (So 1990). Indeed, many development studies have gone "wild" or "green" by attempting to internalize the often externalized costs of environmental destruction, e.g., in project siting, production planning, or tax incentives (Jacobs 1990: 1).

One of the first comprehensive attempts to internalize nature within development strategies was the now (in) famous 1987 Brundtland Commission Report formed by the United Nations World Commission on Environment and Development.<sup>5</sup> This report defined sustainable development as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (Pearce et al. 1990:ix; Jacobs 1990:2; Lindberg 1991: ix; WCED 1987). This began a shift in sustainable development theory from mere questions of futurity in resource use such as the World Conservation Strategy to a more direct engagement with economic solutions to growing environmental injustices (e.g., toxification, erosion, desertification, decreased biodiversity, global warming, acid rain) (IUCN 1980). Some attention was also given to issues of cultural and economic justice for populations throughout the Third World, although growth and investment were usually given precedence (Jacobs 1990: 3; WCED 1987:x; Escobar 1995:201). Indeed, many who have used the term "sustainable development" have attempted to redefine development from processes of modernization and growth, to the qualitative shift to more equitable and sustainable forms of political ecology, often proposing strategies of common property resources, incorporation of indigenous local knowledge, and of course, eco-tourism (see Ghai and Vivian 1992). Thus, proponents of different types of sustainable development propose that eco-tourism is an exemplary case of simultaneously preserving economic growth, local empowerment, and environmental health.

Jon Kusler defines eco-tourism as "tourism based principally upon natural and archaeological resources . . . [and] it differs from mass tourism based upon man-created [sic] attractions such as night clubs,



restaurants, shops, amusement parks, tennis parks, etc. or partially man-created such as beach front hotels and associated manicured beaches" (1991:2). More to the point, the travel industry defines eco-tourism as "purposeful travel that creates an understanding of cultural and natural history, while safeguarding the integrity of the ecosystem and producing economic benefits that encourage conservation . . . The long-term survival of this special type of travel is inextricably linked to the existence of the natural resources that support it" (Ryel and Grasse 1991:164). Due to various perceived successes, eco-tourism has been touted as a form of sustainable development, which could encourage capital investment while maintaining nature, preserves, by making the preserves themselves commodities. Its advocates argue that eco-tourism provides incentives for continued conservation because the source of value is pristine nature itself, thus providing opportunities for both sustainability and development.

Some researchers claim that eco-tourism can provide both a much needed environmental education to make the tourist an "ambassador for the environment" (Pederson 1991:61), and through the influx of tourist spending, the economic justice of greater local autonomy (Boo 1990:xiii).<sup>1</sup> Eco-tourism analyst Ray Ashton suggests that "pure conservation" has not worked and that sustainable development planning is now our only option, of which eco-tourism represents an "excellent form" (Boo 1991:46). These claims have been confirmed in some extraordinarily profitable ecotourist areas such as Kenya, Costa Rica, and Ecuador (Cater 1993: 114). Meanwhile private enterprises investing in the tourist industry have been watching, and seeing the immense opportunities, have expressed economic and environmental commitment to the idea of sustainable ecotourist development. According to Erlet Cater of the Royal Geographical Society, "Eco-tourism is the fastest growing sector in the tourism industry" (1993:114), which itself soon will become the largest industry globally.<sup>2</sup> Thus, eco-tourism represents a growing share of the burgeoning tourist industry globally, and is a significant contributor to the economic activity, if not wealth, of several developing nations.

However, within these depictions of the seamless convergence of capitalist economy and environmental health, there exist some conflicts over the orientations, strategies, and purposes of eco-tourism. These potential contradictions of eco-tourism are intensified because of the immense economic, cultural, and environmental impact of the burgeoning tourist industry. Conservationist NGOs often disagree on the types of regulations, incentives, and enforcement necessary for managing ecotourist forms of sustainable development. Consider the following: "Nature tourism is booming, as more and more travelers set out in search of the unspoiled natural wonders and exotic cultural experiences the developing world has to offer. This boom can contribute to "sustainable development."... Or its dark side can win out, and eco-tourism can damage the natural assets on which it rests. The outcome depends on how it is managed" (Lindberg 1991:ix).

Conservationist organization like the National Audubon Society and the Sierra Club have found it difficult to protect nature with market mechanisms and fight for strict regulation, especially since debt-plagued national governments in the South and corporate profiteering find it unappealing to restrict eco-tourism investment. This situation is complicated further by the internal conflicts within these organizations, between research biologists fretting over ecotourist environmental impacts, and corporatist leaders set on expanding travel programs and member services (Ashton 1991:45). Whether these organizations successfully negotiate a compromise between environmentalism and profit, or, merely legitimate the imperatives of capital through token inclusions of ecological planning, it is difficult to determine without further discussion of the contradictions that eco-tourism represents, the first of which lies in the contradiction between sustainability and development.

### *What Is Eco-tourism-Eco-logy or Eco-nomics?*

In the global political economy of nature, eco-tourism stands as a complex and contradictory movement of capital, governments, and popular culture. In its discourses of instrumentality, resource management, and global expansionism, it could be read as a potentially dangerous extension of the rationalized forces of (post) modernity into the realm of the natural. In its discourses of ecological sustainability and the empowerment of local economies, eco-tourism could be read as an opportunity for just and decentralized social-natural relations. These elements of eco-tourism are not mutually exclusive because economic policy, like cultural production, can be multivocal and contradictory in its effects. Nor is any negotiation of these opposites immune to variation when applied to regional, national, or local contexts, making the formation of global eco-tourism one with a diverse capacity to empower and destroy, often simultaneously. Yet, the problems of sustainable development in general, and eco-tourism in particular, resurface continually, as they are constructed within the broader contradictions of transnational capital regimes.

Eco-tourism is imbued with many liberal aspirations to achieve sustainable and democratic social-natural relations, and it embraces neoclassical conceptions of regulated markets and modernization for the longevity of profitability. Eco-tourism literature frequently reminds us of potential successes, with discussions usually focusing upon the ecological benefits to be experienced when nature reserves are established and protected by ethically minded public and private bodies. The World Resources Institute suggests that, "Although some 7,000 protected areas exist throughout the world, comparatively few enjoy *de facto* protection, and most of those in developing countries that do, can attribute their survival to the revenue they earn from tourism" (Wamer 1989:18). When properly regulated by (inter) national law or market incentives, eco-tourism is said to yield several benefits: long-term sustainable resource conservation, the provision of a more environmentally and socially acceptable form of development (than agribusiness or heavy industry), the mobilization of employment and empowerment of local peoples, the creation of arenas for greater public-private cooperation, the establishment of a local pride in natural resources, the formation of local and global environmentalist constituencies, and lastly, opportunities for environmental education and scientific research (Kusler 1991:viii-3; Boo 1990; Wood in Kusler 1991:75-77).

After her research excursion to the highly profitable and privately owned Rara Avis ecotourist reserve in Costa Rica, Tensie Whelan issued these words of support: "Over and over again, I saw small chunks of the environment being saved by people who had an economic interest in doing so, whether it was villagers saving rain forest habitat in order to raise iguanas for sale, or private individuals preserving and maintaining virgin rain forest as an attraction for tourists... If we are to save any of our precious environment, we must provide people with alternatives to destruction" (Whelan 1991:3). Whelan voices a typical concern for the need to find sustainable methods of environmental protection immediately within the context of global competition and markets. In this free-market environmentalism the burden lies upon both governments and conservationist NGOs to provide planning, market incentives, and regulation of development, while the benevolence of industry is unquestioned. Well-intentioned, innovative, and enterprising individuals or corporations, prompted and enabled by government policy, are the harbingers of a new and just environmental world order. Here, capitalist modes of production and market dynamics are assumed to be necessary and beneficent, and any contradiction between sustainability and capitalism may be resolved via proper management and ethics (Escobar 1995:193-195). This liberal environmentalism is praised by its proponents as a moment of great refusal of the death of nature, when ecological sustainability will be neglected no longer, and when we realize a democratic and green global political economy. This new eco-Keynesianism reads like a logic in which markets are opened by moral bodies concerned with public good, and any rupture in the body of global capital that is caused by crises of environmental (and economic) sustainability is sutured

by strategic regulation.

However, these authors also acknowledge the problems associated with eco-tourism: "Conservationists have found that tourism is a double-edged sword - able to save the day if skillfully wielded, but liable to cut one's leg off if handled carelessly" (Glick 1991:72). Many have expressed concern with the minimal environmental protection practiced at some of the world's largest and most popular ecotourist sites and nature reserves. Although eco-tourism represents a less destructive development alternative to mining, agriculture, ranching, or forestry, if uncontrolled, a growing eco-tourism industry could threaten wildlife, cause erosion, as well as intensify pollution and overcrowding-business as usual (Kusler 1991:viii). One analyst outlined three primary problems in ecotourist developments: most ecological areas are too inaccessible or unappealing to attract tourists or support development, thus making many areas unqualified for the conservation that eco-tourism does offer, and subjecting developed sites to greater tourist influx; unrestricted use of eco-tourism sites will lead to overuse and the destruction of natural areas and indeed the ecotourist industry itself, which requires pristine nature for its profitability; and, the host countries have been unable to appropriate enough revenue to regulate tourism and maintain the nature preserves (Lindberg 1991:9)."

Taken together these problems increase environmental damage through litter, accidents, deforestation, excessive infrastructure, disruption of wildlife, increased waste problems, congestion, noise pollution, aesthetic blight, as well as the cultural disruption of local peoples (Warner 1989:18,20; Lindberg 1991:9; Boo 1990:xv). And, although these problems could threaten the economic viability of ecotourist ventures, the shortsightedness of competitive capital could cause these problems to go unanswered in favor of reaping large profits in one of the world's fastest growing industries. One can begin to recognize the contradictory impulses in eco-tourism planning, as it supports profit as a means to environmental protection within a political-economic structure that supports environmental protection as a means to profit, even at the risk of destroying that profitability.

Indeed, the greatest threat to natural preserves and the sustainability of eco-tourism is the increasing influx of ecotourists, especially when accompanied by local or national incentives for tourist exchange, which facilitates greater infrastructure development and less regulation on tourist access and behavior. Further, the sensitivity of tourists to the goals of preservation is certainly jeopardized when the tourist industry, in the attempt to reduce costs, sacrifices spending on both tourist education and enforcement of regulations on tourist behavior.<sup>iii</sup> These problems are magnified in underdeveloped countries. The ability of local or national governments to mitigate these problems by regulating tourism through taxation, education, entry fees, and limiting capacity is stifled by either the expropriation of financial resources by private interests in overdeveloped countries, or the inadequate planning of ecotour operators (predominantly Western) who have no competent knowledge or cultural investment in the areas they use. Nations and cultures of the periphery find themselves in compromised positions, negotiating the need to attract foreign investment for austerity and the desire to maintain cultural/natural heritages, which itself is a negotiation of local class and ethnic conflicts regarding development policy. Thus, eco-tourism appears, and indeed may be, a more viable option for economic development than agribusiness or export-oriented industrialization, yet the extraction of profit, forced underdevelopment, and the destruction of cultural/natural heritage may continue relatively unchanged as centuries of (neo) colonial development have left many nations with little power to regulate new liberal forms of superexploitation.

This has noticeable effects in several countries, including Costa Rica which has not changed its eco-tourism spending in ten years despite growing numbers of tourists; and in Kenya, only 2.3 percent of the 300 million dollars earned by its national parks each year return to the people or government of

Kenya (Whelan 1991:11). Parks throughout underdeveloped countries charge extremely low fees to foreign tourists, and are often unable to invest the revenues in maintenance and preservation, the assessment of environmental impacts, the hiring and training of personnel, tourist education materials, the planning of carrying capacities, or regulatory boards or agencies (Whelan 1991:11-14; Boo 1990:xv-xvii). The conditions of dependency and debt disable governments and national firms from preserving their own natural and cultural traditions, thus enabling further natural and cultural despoliation by Northern enterprises, displaying the addicting and self-reproducing character of capital investment.

Although many private tour operators are praised for their vested interest in environmental protection, those surveyed in the World Wildlife fund study were based predominantly in overdeveloped countries, with little direct attachment to the environments from which they profited (Boo 1990:xvi). They rarely have provided the park systems, or their destination countries, with preservation support, and many park managers surveyed throughout global ecotourist sites stated that the operators took the parks for granted (Boo 1990:xvi; Cater and Lowman 1994:4). "Although the eco-tourism industry is growing rapidly, it is not yet making substantial or even clearly positive contributions to nature conservation" (Kermath 1991:408). In spite of the optimistic predictions, many have concluded that the dangers of eco-tourism are more momentous than was first recognized (Butler 1991:201; Whelan 1991:4; Kusler 1991). Thus, if eco-tourism is not managed successfully, through stronger regulation, higher entrance fees, limits on infrastructure and tourist influx, and a redistribution of profits to the local populations, all of its potential environmental and economic benefits will fail to be achieved, and colonization of the natural sphere could continue in the gaze of ecotourist developers and their consumers. But, even this logic is misleading, because the difficulties of eco-tourism do not rest in the lack of knowledge or technologies of development (indigenous or imported), but in the global strategies of underdevelopment and environmental destruction that have been the *modus operandi* of merchant, monopoly, and now late capitalism.

Joan Gianecchini summarizes this critique well by stating that eco-tourism is not merely a new form of the travel industry sympathetic to the environment, but rather it is a "powerful marketing device currently being employed to develop and sell an aspect of specialty travel. Conservation ideals, including sustainable use of resources and development, are shared only in part by the tour industry. Their customary goal of quick optimum profits is in direct conflict with long-range goals of protection and conservation. . . . Therefore, if the tourist industry becomes the principal force in the development of eco-tourism, it will almost certainly be detrimental to long-range environmental concerns" (Gianecchini 1993:430). And predictably, the primary actors in this global arena are indeed members of the tourist industries of core nations with the support of dependent national governments of the periphery, who, in an anguished alliance based on long lasting political-economic impositions, could stand to gain from higher employment, better infrastructure, less export-oriented production, and greater local and national political empowerment in general. Thus, the alliances Cardoso and Faletto theorized as the basis for international relations of dependent development (those between transnational capital, a local bourgeoisie, and entrepreneurial factions of the nation-state) may be witnessed to be a central mechanism for the emergence and maintenance of eco-tourism as well (Cardoso and Faletto 1979; So 1990: 151).

Here, a distinctly liberal and postmodern Western development agenda can be traced to its neocolonial precursors in expansionist monopoly capital, in which local cultures and survival needs of Third World (sub) regions are substituted with large-scale, export-oriented development. In today's global formation, a more fleet-footed corporate mobility places states at greater risk of fiscal crises. Legitimate state authority to regulate the destructive effects of growth has been evaporating, creating a global "race to the bottom" or "downward leveling" in which governments are pitted in a competition to offer the most favorable "business climate" for investment (Brecher and Costello 1994:4-5; Faber and O'Connor

1993:22; Fisher 1993:4). As a development strategy, eco-tourism is similar to export-oriented models insofar as foreign investment for luxury services, i.e., the accompanying tourist industry, is encouraged through eco-tourism, with the attendant distortions of local investment and exploitative divisions of labor. Here, the exports are not commodities such as electronics or textiles, but instead nature, constructed by a labor-intensive service industry and the work of primarily urban workers who play the role of native guides, maids, custodians, cooks, waiters, and bus drivers.

The nature tourism site is similar to export-processing zones for commodities, as they are subsidized greatly by national governments, are often foreign-owned and managed, entail labor intensive production for low wages, and are primarily for the benefit of foreign exchange. Also, the labor often entails performative displays of native or local authenticity, revealing the source of value to be the natural and human image of the "primitive." The export-oriented methods of capitalist underdevelopment may be seen to have new forms, impacted less by industry and agribusiness, and more by tourism and a Western market of leisure consumerism, in which orientalism (with its varied regional effects) defines the moment of value extraction. Made possible by globalizing cultures, media, communications, and transport, eco-tourism may be read as a niche market that markets niches, a new globalizing moment of late capitalist consumer economy.

Nowhere is this more noticeable-yet rarely discussed-than in the ecotourist planning literature itself, where nature is interpellated in a discourse of rationality as an object, a resource, a legal restraint, a factor in cost-benefit analyses, a product, rates and ratios, or a marginal value. This treatment of nature is not new: "The scientific revolution in Europe transformed nature from *sierra mater* into a machine and a source of raw material; with this transformation it removed all ethical and cognitive constraints against its violation and exploitation. The industrial revolution converted economics from the prudent management of resources for sustenance and basic needs satisfaction into a process of commodity production for profit maximization" (Shiva 1989:xvii). It is certain that classical economics and Enlightenment science did a disservice to global ecological sustainability by externalizing or rationalizing nature, and thereby marginalizing environmental health from economic agendas. And despite the modernist myths of historical progress, today it is uncertain that eco-tourism, or sustainable development in general, has succeeded in enabling more sustainable social-natural relations.

Indeed, for eco-modernizationists such as Jacobs (1990), Pearce (et al. 1990), and Gore (1992), nature has become so much a part of our purposive-rational institutions of marketing, resource management, and consumption, that its worth as a condition of, and not resource for, social fulfillment appears poorly understood. In much sustainable development literature, sustainability appears to be either a newly realized limitation to the circuits of overproduction and over consumption that is to be integrated for the survival of global capital (Jacobs 1990: 6-15), or a sliding signifier whose purpose is to grant greater exchange value in various capital marketplaces where eco- and green have become icons of security, health, and harmony-legitimizing Northern development projects.

Travel marketers view eco-tourism as an opportunity for growth and diversification in a competitive tourist market, revealing eco-tourism as an end product for profit, rather than a means to the preservation of Third World cultures and nature: "The most important factor to remember as a conservation organization is that when you start approaching the tourist market, business is business or you are out" (Bezaury-Creel 1991:109-110, 114). Sustainable development discourse in general, and eco-tourism more specifically, appears to be a means by which global capital can, at once, appear to accommodate growing environmental crises, while reformulating public discourse on sustainability to maintain legitimacy for development as usual. As profit outweighs protection, the sustainability of nature is rewritten as the sustainability of capital; the protection of nature is inverted to be the

protection of profits; and the morality of democratic multigenerational planning is transmogrified into the pursuit of competitive advantage in the free market of nature. This is evident in the ways in which conservation organizations such as the World Wildlife Fund, the Sierra Club, and the National Audubon Society increasingly have become marginalized in international eco-tourism development by having their role in planning reduced to mere advisory or consultant functions. This marginalization has occurred despite the relatively minor opposition to global structures of capital that these particular organizations have mobilized. At a tourism conference at George Washington University, Giannecchini reports that this lesser role was not only assumed, but accepted: "it appeared tacitly understood among these groups that policies and regulations concerning eco-tourism, from carrying capacities to sustainable development, would be determined between the tourist industry and government. Conservationists were cast in the role of altruistic and cost-free shepherds of the resources that would insure eco-tourism profits. More noteworthy, perhaps, was that the conservationists seemed to accept this role willingly. They continue to perceive themselves, and be perceived by other professionals, as consultants" (1993:430). Conservation organizations find themselves squeezed out of planning and regulation, and will be forced to compete with other NGOs, a three-trillion-dollar tourism industry, and even national governments for the world's most fragile ecosystems, as well as the environmentalist sentiments of tourists themselves (p. 430).

But the contradictions between profit and sustainability express themselves in a second complex of contradictions for eco-tourism. This set of conflicts is typical of post-industrial and consumer markets: the conflicts between the homogenized spectacle of wild nature and the biodiversity and cultural diversity required for more democratic social-natural relations.

## TOURING EDEN

Eco-tourism is a burgeoning business, thanks to increased marketing efforts and the growing interests of consumers, predominantly from the overdeveloped nations of Europe, North America, as well as Japan (Whelan 1991:5). As a growing preoccupation throughout the world, the ecotourist vacation thus has been the point of realization for expanding profits. However, as is typical of export oriented development, the profits from ecotourist endeavors are often expropriated mostly by travel agents (who claim ten percent), followed by nonprofit, NGOs, and advertising, outbound tour operators (airlines, ground operations), inbound tour operators (accommodations, transport, environment interpretation), and lastly, the local government and residents of the tour destination (Ryel and Grasse 1991:36-38). Thus, as would be expected, the flourishing eco-tourism industry has benefited travel agencies and tour operators of overdeveloped countries significantly more than the local governments and peoples of the South.

Key to the industry's activity is attracting ecotourists "through the development of exciting and interesting sites. Tour developers and operators state that tourist demand increases when the area is attractive, when transport is comfortable and accessible, when lodging and food are provided, and when tourists feel protected from wildlife, disease, and local political turmoil (Kusler 1991:5). The attraction of spectacular wildness reveals what liberal-minded ecotour promoters know well: the ecotourist does not necessarily exist previous to eco-tourism marketing, but indeed can be manufactured or seduced"<sup>iii</sup>. "the ecotourist must be made as well as born" (Ryel and Grasse 1991:169). The message they relay to their potential consumers is colorful, draws attention to a mood, establishes recognition, and, not unlike many other tourist advertisements, attempts to provide the audience with "astounding facts about the destinations" they offer, especially new, unique, and authentic experiences (pp. 174). One ecotourist brochure from Venezuela offers the consumer "spectacular wildlife," "incredible abundance," animals that are "normally difficult to observe," and "mind-boggling" numbers of birds (pp.176-177). These tactics of marketing nature through adventure, surprise, exhilaration, scarcity, and exotic Edenic scenes



assist in spectacularizing nature as a commodity, appropriating more generalized interests in exhilarating consumption and nature as a place of ecological reconnection.

Further, advertisements often include environmentalist sentiments, which have a well-understood effect: "Conscientious support of environmental causes almost always enhances a travel company's image" (Ryel and Grasse 1991:178). Seductive use of spectacle has become more common because of the increasing stakes in a growing tourist market, and because ecotourist sites must appear more attractive to counterbalance the poor development or preservation of many sites throughout the world. Thus, although ecotourist marketing often provides the tools for re-envisioning sustainability, it simultaneously contributes to an always already mediated culture in which nature is abstracted from sustainable ecosystems, a means of aesthetic pleasure, overconsumption of resources, and low ecological literacy (Suttle 1989:24).

But to fully evaluate the potential of nature tourism, we must look both at the production of eco-tourism, and at the reception eco-tourism's audience actively creates and makes a part of the global culture of nature. Many ascribe the reason for eco-tourism growth to the ecotourist's desire to escape the mundane, monotonous, and overstimulating realms of urban and work life, and the consequent need to find simplicity, beauty, and excitement (Giannecchini 1993:429-430; Lindberg 1991: 1; Whelan 1991:7). Eco-tourism has been more successful because of the character of Western popular culture in general, which includes attention to physical fitness, environmental films and news, and the growing cultural capital of action and adventure (Giannecchini 1993:430-431). As Prosser has argued, "One of the most important characteristics of tourism is that it is, in essence, a fashion industry" (Cater and Lowman 1994:22).

Indeed, Richard Bangs of Sobek Travel stated that, despite the attention to ecological literacy, "people on ecotours 'don't want to spend their hard-earned money being lectured . . . [they are still] on vacation' (Giannecchini 1993:431). One researcher thus suggested that eco-tourism is bound to be problematic for long-term sustainability or social justice, because it is situated within a society dominated by leisure and alienating forms of work, which causes ecotourists to zealously guard their leisure against tours with "meager" accommodations or too much education (Butler 1991:201). Turner and Ash's theory of the tourist experience would confirm this, by concluding that tourism is successful only when it has met the needs of the average tourist to live luxuriously and to have one's leisure circumscribed by a vast array of services, making travel agents and managers into surrogate parents and relieving the tourist of any responsibility (Urry 1990:7).

Prosser has gone so far as to posit an ecotour product-cycle in which, like tiny resource, tourist sites are produced and consumed through a sequential process of destination discovery, development of tourist sites, the growth of demand, maximal exploitation, decline of site attraction/value/competitive advantage, and finally, obsolescence (in Cater and Lowman 1994:23). Over the last two decades, with increasing numbers of tourists traveling to more remote locations like Antarctica- the "pleasure periphery"- this obsolescence risks making many environments and communities of the Third World into disposable commodities (p. 25).

Despite the potential for oppositional readings of eco-tourism, the shift from modernist mass consumption to "post-fordist consumption" sets the stage for hegemonic reception (Hall 1991; Urry 1990:14). The specialized production of tour operations, expanded transportation systems, global media, and the continual cultivation of a popular imaginary around escape and adventure reveal that firms and nation-states act simultaneously to erode cultural and ecological sustainability (exporting economic and ecological crises of their own), as they sell the remaining ecosystems as scarce

commodities for a green consumer market. This is accompanied by a dramatic expansion of (neo/post) colonialism, in which the ambassador or invader from the overdeveloped world is no longer only a merchant or a multinational seeking resources and labor, but also a tourist seeking to gaze at the differences of the natural and primitive Other. The overdeveloped world's subordination --if nature and the Third World citizen to instrumentalized logics of resource use are now accompanied by consumer logics of nature and the Other as commodified spectacles of Western fantasy.

However, the National Audubon Society, possibly the first to promote eco-tourism on a wide scale, opposes this negative mass culture reading of the ecotourist. Instead it envisions ecotourists as potential environmental activists and ambassadors for nature, who could bring ecological consciousness to their home environments (Berle 1991:xi-xii, Grotta 1991:103-104). The society claims, against much evidence to the contrary, that eco-tourism developments educate ecotourists about environmental issues through their learning materials and knowledgeable guides and operators, as well as continual training of ecotourists to become more ecologically aware of their own environments at home. To promote this orientation to eco-tourism, it has composed the National Audubon Society "travel ethic," asking that travelers be sustainable in their impacts on the natural sites and cultures they visit (Whelan 1991:15-16; Kusler 1991:xv). The optimism that ecotourists are receptive to the struggles to maintain local and global sustainability, may be confirmed partially by the fact that some ecotourists are researchers who explicitly desire to study and preserve the nature and cultures they visit,<sup>8</sup> and who are comfortable with minimal provisions and accommodations, and with environmental education (Colvin 1991:578). Further, these arguments for ecotourist activist state that this ecological sensitivity is enhanced by the knowledge that many ecotour sites are highly unique and endangered by forms of destruction, creating compassion out of urgency (Kusler 1991:3).

Certainly no single type of tourist exists, but most tourism discourse suggest that tourists seek pleasurable and out-of-the-ordinary experiences, creating an inversion of everyday life to escape normality, and come to terms with different environments and cultures of their nation or globe (Urry 1990:3, 11; Combrink 1991). Tourism became more common during the early phases of the modern industrial epoch, in which the prior forms of tourism (pilgrimage, scholarly journey, or scientific research) became intertwined with a distinctly modern disenchantment with one's work life, creating the conception of work holidays (Urry 1990:2-3). This view was popularized predominantly by romantic movements of the late eighteenth and early nineteenth centuries that gave rise to contemporary environmentalist movements and eco-tourism which glorify the imaginary landscape of nature as an alternative to the mechanized, regulating, and alienating transition to urban industrialism--a repudiation of modern development (pp. 20, 99). Gradually, this anti-modern romanticism was articulated with the post-war consumer culture, in which this imaginary landscape became a service, image, and commodity for a growing middle class. Here, it could be argued that the processes of framing and reproducing nature-sacralization, enshrinement, and simulation are the battlegrounds of a war of position between the creation of an industry of nature and the return to ideals of sustainable community and ecology.

The ecotourist thus participates in the (re) establishment of an identity of wellbeing, belonging, and righteousness that seems ever more subject to structures of power that, as Marx so aptly stated, melt everything into air. Not only have the formations of capitalism subjugated many of the world's peoples to the laws of production, exchange, and authoritarian regimes, but they have assisted in rationalizing and fragmenting the natural sphere in a mediated simulacrum of commodity aesthetics. The postmodern era, in which development appears to be reaching a crescendo, has had the ability to destroy bonds of egalitarian relations in communities, political bodies, and ecosystems simultaneously, creating a widespread and varied sense of alienation from both private and public institutions.



The increasing popularity of environmental issues in Western culture is both a cause and effect of this postmodern panic. It is possible that this is sublimated in the common culture of nature that we seem to experience as healthy, fulfilling, diverse, and comforting, such as the spaces of beaches, parks, suburban pastoral landscapes, zoos, and even more subtle and mediated forms such as house plants, pets, golf courses, and the many products we can now purchase at nature stores, e.g., the Nature Company or the Body Shop. The rise in popularity of nature films, naturalist fiction, and of course, eco-tourism could also express this problematic reconnection with nature that, however subtle and however aestheticized, can provide a sense of belonging in a world that is at risk of biological meltdown.

Thus, at the fin de millennium, eco-tourism could represent the longing for a return to the lost Eden or Arcadian scene, much like the transcendentalists of the panicked industrial era at the close of the nineteenth century, in which harmony was pristine and original, uncontaminated by the ravages of modernization. According to Jim Cheney, "Ecological consciousness is the consciousness of modernist alienation seeking reconnection with that from which it has lost touch. . . . But it speaks from alienation and does not escape it" (1989:319). Eco-tourism provides a predominantly Western professional class with the opportunities to experience, for possibly the last time, the nature that centuries of Western expansion has been succeeding in destroying. The middle classes have the time and resources to provide the basis for the consumption, the urban planning, and the capital investments that eco-tourism requires. In this post-natural era, these members of the overdeveloped world experience the ambiguity and contradictions in desiring a resurgence of pristine sustainable nature, and at the same moment, seeking this fulfillment through institutions that have contributed to its destruction. But the complex contradictions between profit and sustainability, and between reconnection and ecological destruction also intersect with racial, class, and gendered relations of power influencing another contradiction between the ecotour aspirations for democratic autonomy of local peoples and the expropriation of Others as sources of value.

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### LOCAL AUTONOMY OR A KINDER, GENTLER COLONIALISM?

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Although affluent consumers become ecotourists and attempt to mitigate (temporarily) their postnatural anxieties through nature consumption, other peoples of the world are not so empowered to escape, much less alter the nonsustainable conditions in which they live. Populations facing the brunt of environmental destruction throughout the world are most often those who possess few power resources to halt it (Bullard 1993:7-19). These populations are usually composed of the poor, the people of color, the women, and the children of the underdeveloped world, but also of the rural and inner-city areas of the overdeveloped world a reterritorialized Third (or Fourth) World.

Many herald eco-tourism as a development strategy to return our biosphere to ecological health and our global society to a liberal multicultural democracy. Many have suggested that if eco-tourism is to be successful, it must incorporate local populations in every level of planning, operations, and revenue sharing, not merely for greater cooperation and local autonomy, but also because local knowledge is necessary for the sustainable management of local ecosystems (Sherman and Dixon 1991:112; Drake 1991:132). As Susan Drake has stated, "The capacity of national and local governments to manage effectively the rapidly growing number of development projects and programs will be limited unless functions are decentralized and communities involved" (1991:132). And there are partial success stories. Lindberg cites local governments and even private agencies with simultaneous conservation and provision of economic independence to local communities (1991:7~8). In response to these claims, we may ask several questions to understand the potential of eco-tourism: What discourses and populations define the global community and political economy into which local populations must be integrated as full participants? What are the criteria for success or development? Is local knowledge necessarily

sustainable or pure in its contestation of Western agendas in a globe increasingly characterized by cross-cultural contact?

The actual experiences of communities in the South, unfortunately, do not prove that eco-tourism supports local autonomy. According to Tensie Whelan, locals have no control over the decision processes that govern eco-tourism planning or management, and they have become extremely resistive to the influx of wealthy tourists who exploit their wildlife, land, cultural, and natural heritage (Whelan 1991:9). In Costa Rica- a country praised as an exemplar of eco-tourism development-the planning for eco-tourism sites took place at a national level between government and private tour operators, while local populations were forcibly displaced from their land, their sources of income lost, usually with no compensation (p. 9). These injustices are replicated elsewhere. In a survey of forty-one percent of the U.S.-based tour operators, only twenty-five percent employed locals at destination sites as managers, guides, drivers, or cooks, and those who did usually hired from the cities and not from the immediate local area (p. 10).

In general, income generated from eco-tourism is very unlikely to reach local pockets. Meanwhile the cost of living in these areas increases with ecotourist spending, displacing local peoples from their land, subsistence, and heritage. In the case of Nepal, the locals only receive seven percent of the large amount of eco-tourism dollars spent there (Whelan 1991:9-10); the "great number of foreign trekkers . . . [have] driven up food and lodging costs . . . so that locals must hustle to keep pace with inflation" (Warner 1989:20). With conditions such as these, it is no surprise that fifty-five percent of every tourist dollar "spent in developing countries leaks back to developed countries, according to World Bank estimates" (Lindberg, 1991:24). And for regions in Nepal and Zimbabwe, the national governments only receive ten percent of the total nature tourism spending in their countries, less of which, if any, is returned to the local communities of eco-tourism sites (p. 24). Surely, this discrepancy may be alleviated by government regulation, taxation, and higher entry fees for foreign tourists, yet pressure from foreign eco-tourism investors and the need to make investment attractive, limit efforts to implement these measures (pp. 25-27).

Additionally, discussions about local participation, even in the most inclusive eco-tourism planning, often entail a discourse about the "use" of local cultures for knowledge, employment, and commodity production (Drake 1991:136-137). Such discussions limit potential local resistance to development or "resentment" (Olindo 1991:32-33) by "educating" locals for employment -so as to have locals function in the service of eco-tourism and not against it (Boo 1991:188). Furthermore, the eco-tourism research has not addressed independent development strategies for empowering local communities and establishing sustainable social-natural relations. Instead, locals are assumed to be the victims or beneficiaries of Western development, yet again inscribing marginalized peoples in the roles of passive objects of history. The eco-tourism literature also fails to critique the ethnocentric or capitalist standards for initiating, managing, and evaluating development, however sustainable. Thus, it would appear that those concerned with sustainable development may indeed have concern for the inclusion of local cultures in eco-tourism, but that this concern stretches only as far as the profitability of eco-tourism may allow.

Eco-tourism literature is laden with discussion of decentralization that, instead of representing a multicentered global political economy, establish the dynamism and flexibility necessary for effective management of local resources. For example, the director of the World Resources Institute contends: "Indeed, since most attractions compete with others in the world tourist market, they must respond flexibly and efficiently to consumer tastes (within the limits of sound ecology). To the extent that many parks are overseen by inefficient bureaucracies, decentralization may foster sound management of nature tourism, and thus conservation" (Lindberg 1991:24). The inclusion of local knowledge assists in a more

efficient management of all local ecological, cultural, political, and economic contexts, but noncoincidentally, this meets the tourist imperatives of Northern-based operators. This inclusion would be typical for Western capitalist firms in post-fordist economies, where local information has become key to establishing competitive advantage and gains legitimacy through its promise of diversity and democracy. But this local involvement is also a complex negotiation of several, often conflicting, moments: when the sustainability of ecosystems threatens the legitimacy, if not productivity, of industry; when the popularity of environmental movements increases; and when local political turmoil threatens millions of dollars in ecotourist investments. Here, eco-tourism, and sustainable development more generally, represent a complicated and new hegemonic articulation of decentralized capitalism that creates alliances between states and corporations through a rhetoric of decentralization and romantic natural scenes, while maintaining Western-centric policies of expropriation and exploitation of local peoples.

The contradictions and injustices associated with current forms of eco-tourism compromise the potential of eco-tourism to successfully foster social-natural sustainability within post-Cold War global capitalism. Eco-tourism is primarily a development strategy devised by a complex alliance of transnational firms, national financial strategies, and local elites which perpetuates discourse of the subaltern and natural other who is in need of science, technology, productivity, and wealth; its development schemes temper paternalism only minimally with narratives of participation and restoration. It also leaves intact a commercial enterprise that survives on the dislocation of local cultures and environments, as well as the exoticization of difference, a difference the West has always required as its defining but subordinate opposite, and as an escape from itself (Todorov 1984). While ostensibly affirming the decentralization of power, eco-tourism offers only minor modifications to transnational political regimes. Thus, the otherness of nature and locals is not understood but consumed. It is not a subject of dialogue but rather its difference is spectacularized as an impending absence, as an authentic and profitable object (MacCannell 1976:xv).

The discourse of sustainable development makes it seem possible to achieve a sense of Edenic holism with nature and Other cultures, reifying transnational capital as the grand arbiter of environment, cultural diversity, and growth -thus constructing the subaltern peoples of the globe as accepting, or at least needing, its management and incorporation. This totalizing "ego-ecology" is "the reason why 'kinder, gentler' capitalism and growing ecological awareness has been accompanied by increasingly vicious exploitation; the reason why we just witnessed the destruction of the original form of humanity, or its incorporation as a side show; and why we are now witnessing an aggressive attack on peasantry and nature at exactly the moment of heightened ecological insight concerning inter-dependence" (MacCannell 1992:57). The practice of eco-tourism development is a political-economic fantasy in which the violent capacities of transnational capitalism are denied and confirmed; capitalist authoritarianism is excused as backward yet reestablished in seemingly decentralized forms; and the rapacious destruction of nature and genocidal destruction of the colonized is repressed from memory as it returns in the dislocations of a market-driven conservationism.

Eco-tourism is driven by a complex nexus of cultural, political, and economic forces that has both local and global scope. Its growing popularity and its place in what will soon be the world's largest industry make it an important site for investigating how the politics of development and environment converge with an emergent international consumer culture. Eco-tourism holds some promise for underdeveloped nations struggling for economic vitality, for local groups desiring independence from the North's culture and economy, for conservationists weary from attempting to maintain biodiversity in a profit-driven political field, and for the tourist, seeking to find possibly the last moment of naturalism before ecological catastrophe. However, in its imbrication within the deep-rooted structures of colonial

violence, ecological mismanagement, circuits of late capitalism, and virtual representations of nature, eco-tourism has not realized these promises, and indeed reveals the ever-extending power of postmodernity into new markets and new modes of legitimation. In green tourism, the tourist adventure is far from an escape of either the destructiveness of transnational capital or Western culture, but instead contributes to its rearticulation. Yet, new possibilities for transnational action towards environmental sustainability and social justice do exist, and eco-tourism can provide a beginning for an extended public dialogue on these opportunities.

The case of eco-tourism reveals that the practices required for fostering transnational environmental justice have multiple actors and an almost infinite number of contexts. But dis-empowerment of subaltern peoples will only continue if we reify transnational capitalist mechanisms of dependency and development, and Western discourses of spectacle, escape, and consumption. Transnational NGOs must engage in diversification of membership, leadership, and knowledge at all levels, as well as devote resources to promoting new strategies -including nature preserves -that directly address issues of social justice. They must help to establish and form radically democratic coalitions with labor unions, community organization, women's and native groups, cooperatives, and collective property endeavors, so as to resist the commercialization of such efforts at preservation.

Local populations need to take full advantage of the often-meager resources available to educate and empower their members, so as to collectivize property and enterprises, and focus on retaining natural habitats, cultural traditions, and the labor value of local communities. National governments and transnational capital, despite often overpowering tendencies to the contrary, offer windows of opportunity for transformation, such as those existing between the periodic delegitimation and reconsolidation of political hegemonies. These opportunities must be seized by counter hegemonic alliances so as to advocate intersecting programs for empowerment, including delinking from global capital, debt forgiveness, sustainable technology, participatory democracy, and other shifts to redistributive justice.

Decentering global power relations is possible only by first historicizing global political economic processes and by demystifying the dynamics of Western power, including the critical understanding of Othering as constitutive of difference (Rabinow 1986:241; Haraway 1992:312). Representing the converging interests of a variety of different global participants, eco-tourism provides an interesting case study of the new hegemonic articulations of environmentalism and late capitalism, an articulation both exemplary of our contradictory and environmentally panicked political order, and indicative of how times of crisis, especially the current post-Cold War crisis of political identity, provide new openings for transformation.

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Endnotes

<sup>i</sup> Some of this source material is the product of (non) governmental organization think tanks and research groups oriented towards policy and planning; some is the result of conservationist writing whose explicit aim is to promote environmental and social justice; and still others are more independent assessments of eco-tourism's effects and goals.

<sup>ii</sup> The term 'sustainable development' has been described as 'the best known and most commonly cited idea linking environment and development, it is also the best worked-out, in that it is the capstone of the World Conservation Strategy and the Brundtland Report,' global strategies of eco-management (Adams 1990:14).

<sup>iii</sup> In 1987 the WCED, chaired by Gro Brundtland the former Prime Minister of Norway, published *Our Common Future*, in response to the request made in 1983 by the United Nations General Assembly for a 'global agenda for change' (WCED 1987:ix). Forming a global eco-Keynesianism, the Brundtland commission stated that the UN's goals of sustainable development would require the renewal of international organizations such as those that arose after World War II, i.e., the Bretton Woods organizations, focused on environmental as well as economic welfare (WCED 1987:x).

<sup>iv</sup> Elizabeth Boo is director of the 1990 World Wildlife Fund research project on eco-tourism

<sup>v</sup> In 1988 the World Tourism Organization cited tourism as the second largest industry in the world with 7% of world trade in goods and services, 195 billion dollars in annual domestic and foreign receipts, and 390 million tourists, creating 74 million jobs (Whelan 1991:4). Eco-tourism shares of this industry are not calculated, but the most direct calculation of its prominence suggests that nature tourism comprises 20-25 % of the leisure tourism market (which itself is 55-60 % of the total global tourist industry) (Giannecehini 1993:429).

<sup>vi</sup> Craig Lindberg is Director of the World Resources Institute's study of nature tourism (1991)

<sup>vii</sup> For example, Yellowstone National Park and ecosystem suffer from the impact of tourists who trample vegetation, litter, pollute water, start forest fires, poach and introduce exotic species, disturb wildlife behavior patterns, and even irreparably have caused the Minute and Ebony geysers to cease erupting by tossing litter in their mouths (Glick 1991:65-66).

<sup>viii</sup> Tourism marketing efforts base their strategies on a profile of the average tourist, who they suggest is from an overdeveloped country, familiar with the outdoors and traveling, professional or retired, relatively wealthy, college educated, and middle aged (Whelan 1991:5-6). The eco-tourism industry has based its campaigns for greater tourism on the media with which people of this profile are most familiar, namely specialized and popular magazines like *E Magazine* and *Garbage*, internationally recognized organizations such as the Sierra Club, editorial or special story advertising, travel brochures, and airline advertisements (Ryel and Grasse 1991:172-174).

<sup>ix</sup> This denotes a shift to a time when expenditure increases as a proportion of national income; when credit systems facilitate greater demand; when the commodity form permeates all areas of social/environmental life; when there is planned obsolescence; and when consumers dominate over producers (Hall 1991; Urry 1990:14).

<sup>x</sup> Specific percentages are unavailable

# Tourism at crossroads Challenges to developing countries by the new world trade order

(Jorg Seifert-Granzin and D. Samuel Jesupatham)

## 1. TOURISM IN A GLOBAL ECONOMY: STRATEGIES AND CONTRADICTIONS

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### *1.1 The Scope Of Tourism Services And Their Key Players*

Hardly any other industrial sector is currently under such a strong and yet covert pressure to engage in backward and forward integration than the tourism industry. The degree of concentration and the resulting market dominance in the individual sending and receiving countries is concealed through the host of tour operators and on-site service suppliers operating under their own labels but actually being part of highly diversified and globalized enterprises. The expansion of transnational hotel chains is the visible sign of globalisation of tourism services. However, what is particularly disturbing is the formation of oligopolistic structures and the mesh of interests between financial service suppliers, airlines, tour operators and travel agencies. The extent of the actual influence of these integrated or diversified groups in the individual service segments and beyond hitherto only becomes obvious in individual areas of conflict. For example, in the early nineties the WestLB, a major German bank, attempted to dominate the leading German tour operator TUI and merge it with the LTU group. This illustrates the efforts which are being made by big financial service companies to form highly integrated and diversified conglomerates, the strategic business units of which have to follow the holding's unified business policy.

### *1.2 Tourism And Development: Common Expectations*

According to expectations of national and multilateral development agencies, tourism planners and even business representatives, the tourism industry should play an important role in the economic development of destinations. But the fulfillment of these expectations, centred around the hope that tourism will generate a significant share of the national income, depends above all on the range of services which are actually being supplied locally, under the guidance and to the benefit of the destination countries. Against this background, the following expectations have to be reviewed:

- 1) Tourism is to make a significant contribution to the domestic value added. Given the close interrelation between tourism and other industries such as food, building and transportation, tourism can stimulate growth in other sectors as well.
- 2) Through a high level of attractiveness of the destinations international tourism is to be intensified and thereby foreign exchange earnings are expected to increase.





- 3) It is also hoped that tourism will create additional employment and that the qualification of local staff will be improved through technology transfer between domestic and foreign companies.
- 4) Furthermore, tourism is expected to be a pull factor to building and expanding the local infrastructure to the benefit of communities.
- 5) Regional customs and traditions are considered crucial factors when it comes to realising tourism projects. Investors therefore like to point out that the planned projects could contribute to the preservation of regional cultural goods. On the other hand, following ideas of modernisation theory, there are hopes that the expansion of this sector can foster social change in the societies concerned and break down traditional social structures that are felt to be obstacles to development.
- 6) There are also relatively recent but very popular hopes that nature-oriented tourist activities can make a monetary or non-material contribution to the protection of nature and the environment.

There is an Asian proverb saying "Tourism is like a fire; you can use it to cook your soup, but it can also burn down your house." Despite so widely spread optimistic expectations we are facing much more burned houses than well-nourished people:

### *1.3 Tourism And Development: Facts, Myths And Contradictions*

#### *1.3.1 VALUE-ADDING EFFECTS OF TOURISM*

According to an ESCAP study on the economic impact of tourism in India, the gross value added in the hotel and restaurant sector in 1992-93 reaches about Rs. 46,990 million (\$1516 million). For tourism as a whole, it is estimated at Rs. 74,476 million (\$2402 million being equivalent to nearly 2 percent of the Gross Domestic Product).

Although every sub-sector in the field of services is linked to the tourism industry, only a small part of their production value can actually be expected to stay within developing countries. In fact, a high percentage of the tourism expenditure is not leaving the countries of origin in the first place. Long-haul air transport is mostly run by carriers based in the North. Furthermore, one could observe that in core areas of the tourism industry, i.e. hotels, catering, travel agencies, tour operators and tourist guide services, as well as in the fields of on-site supporting services (sporting and recreation, facility leasing) "benefits" flow to a large extent into the same direction. This is due to the fact that many services in the destinations are being supplied by companies from the tourist's countries of origin or by their local partners.

The expected growth stimuli of back- and forward linkages have long determined the development discussion. In the case of the tourist industry there are direct connections with other economic areas. Food, building, entertainment and transport can all benefit from the expansion of tourism. These linkages, however, only benefit the local economy if local products and services contribute significantly to the value added. In the case of certain forms of tourism for which there is currently a growing demand, such as all-inclusive tourism ("A package deal - and low-cost!"), club holidays or cruises, this hardly happens.

The high dependence of individual developing countries on the tourism income involves risks. Many countries with similar locational conditions compete with one another on the world market. Internal political tensions, natural disasters or economic fluctuations generally lead to a diversion of tourist flows to countries with comparable supply. A temporal downturn, as in the case of the Indian state of Kashmir where tourism broke down due to political conflicts, could lead to a regional or even national economic crisis.

Looking at India as a whole, international tourism is still concentrated in a few regions, but about to take over several coastal areas, sacred sites and national parks. Especially the states of Bihar, Madhya Pradesh, Punjab and Kerala have seen an increase in the number of visitors. With under 0.4% of the world's tourist arrivals and 1% of tourist spending, the country has barely tapped its so-called 'rich tourism potential'. India attracted about 2.1 million foreigners in 1995, only 500,000 of which can be considered genuine tourists. According to Pradeep Madhavji, Chapman of Thomas Cook, (TOI .22 Aug.96). The major part of international arrivals is businessmen and airline crew. Domestic tourism (which includes traditional forms like pilgrimage journeys as well as leisure tourism following western patterns) swelled from nearly 60 million in 1992 to over 100 million tourists in 1995. With an expected 110 million travellers, Indian domestic tourism becomes an important market for tourism services.

### *1.3.2 FOREIGN EXCHANGE EFFECTS*

According to the Approach Paper to the Ninth Five-Year Plan (1997-2002), prepared by the Planning Commission of the Indian Government, "Tourism is presently the third largest foreign exchange earning sector in India." This is not surprising, since almost all developing countries have a positive balance in terms of net foreign exchange earnings from the tourism sector. This balance, however, gives little information about the actual foreign exchange effects, it only covers payments resulting from the consumption of the travellers at the end of the tourist service chain, in order to properly assess the effects of tourist foreign exchange one would need to consider those foreign exchange receipts and expenditures that were transacted in the course of the import and export of goods that, in their turn, contribute directly or indirectly into the value added by tourism. These include, for example, building materials, foodstuffs, equipment and energy which are essential to maintain the tourism infra- and suprastructure of a country.

### *1.3.3 TRANSFER OF TECHNOLOGY - A BLACK BOX*

Given the fact that tourism is so closely linked with other industries, there are possibilities that liberalization of the tourism sector may intensify the transfer of technology and know-how. Yet there is hardly evidence of the extent to which tourism has so far actually contributed to this kind of transfer between industrialised and developing countries.

There is no doubt that the tourism sector offers considerable potential for technology transfer. This particularly applies to sales, marketing and distribution in hotel and transport management and to the irrespctive relevant instruments (Computer Reservation Systems (CRS), online marketing etc.). In India, main international CRS-providers are engaged in Joint ventures and other equity forms: Both Galileo International and NDC have tied up with Inter-Globe Travels. Indian Airlines and Air India are the joint distributors for the American owned Sabre system. Amadeus India is the marketing agency for the European based Amadeus System. The Singapore based Abacus co-operates with the Indian Tata Consultancy Services.

Since the development costs of systems are high and since using them requires a reliable technological infrastructure and high-level training, the gap between tourism providers in industrialised and



developing countries is probably greatest at this point. As long as there are no institutionalized measures to ensure technology transfer on a different basis than the purely commercial one, the existing dichotomy between a broad less qualified class of (non-) employees working in tourism related industries on the one hand and a few well-paid externally educated staff members on the other hand will be perpetuated.

However, for many developing countries the question also is which technologies will actually benefit tourism and other sectors. There is a danger of complex technologies developing a suction effect, assimilating their environment and leading the countries into a new dependence on costly technology transfer from the North. This fear is substantiated by the development of the airport operation market. Amsterdam Airport Schiphol for example, wants to capitalize its know-how and expertise gained in airport operation and is already active through joint ventures and strategic alliances with airport operators in Netherlands Antilles, Indonesia and China. As long the appropriateness of such technologies is not being questioned, a repeat performance of the mistakes made in development co-operation back in the 70s becomes likely.

#### 1.3.4 INFRASTRUCTURE DEVELOPMENT

At the first sight, tourism in India seems to be strengthened through the presence of McDonalds, Pepsi, and Coca-Cola - brand names that have become synonymous with a high level of tourism developments. Leisure and entertainment groups such as 'Thank God It's Friday' and 'Warner International' will soon take up their operations in India. Golf courses, ski resorts and amusement parks are being set up, revived or modernised in the country.

The hopes that tourism industry becomes a catalyst for the development of infrastructure in so-called peripheral areas and helps reduce regional disparities are closely related to those concerning sound technology transfer. They include the use of all kinds of information technology, transport capacity, water and energy supply systems and waste treatments. The dilemma is evident. What might be useful for a just-in-time tourist transport (highways, oversized high-end airports) may be far from needs of local communities who may want to participate in the benefits of tourism.

As Indian experiences are showing, tourism oriented infrastructure development tends to increase the gap between the "haves" and "have-nots". The shacks, owners of smaller restaurants and accommodation facilities, originally started with tourism services at Goa but now the organised tourism industry disengages them from the sites. The taxi drivers in Kovalam were displaced by the organised sector of the operators. In areas marked for tourism development in the southern state of Tamil Nadu, it has become obvious that the Land Acquisition Act is widely used to appropriate land from the poor and marginalised farmers in the name of dubious "public interest". The land thus forcefully taken away from local people at a pittance and sometimes without any compensation are handed over to hotel chains and other tourism service suppliers at a throwaway price.

To cite the Approach Paper of the Indian planning commission again, "the State will have to focus on development of basic infrastructure such as transport facilities and amenities, and to play a facilitating role in the provision of accommodation and other facilities for all classes of tourists, both domestic and international." But obviously, lopsided priorities exist in the promotion of domestic and international tourism. On the one hand, the New Delhi - Jaipur road is being converted into a four-lane highway driven by expectations that it will become India's first tourism highway with a string of hotels, motels, country clubs, amusement parks and golf courses along the road. On the other hand, following a recent judgement of the Chandigarh High Court, the Punjab Urban Planning and Development Authority has

ordered the removal of all "illegal structures and encroachments on the side of scheduled roads in the state". This euphemistic formulation is aiming at local eating places in between the informal economy which caters for food and shelter of those who travel at low cost, e.g. pilgrims.

### 1.3.5 SPHERES OF WORK, SPHERES OF PAIN

According to the above mentioned ESCAP study, the total direct employment in the hotel and catering sector in India for 1992-93 is estimated at 4,934 million. For the tourism sector as a whole the total employment is estimated at 14 million. There is little doubt that the tourism industry has positive effects on employment, reducing unemployment in the destinations. However, employment coefficients, e.g. one bed in a hotel creates 1,5 jobs, give no information about the type of jobs and the working conditions. Unskilled, insecure and poorly paid jobs are typical. The International Labour Organization (ILO) found out that in many parts of the world the wages of hotel and restaurant employees are among the lowest on the Income scale-in some countries and regions it may have been possible to compensate for seasonal fluctuations in employment (ibid.). In other regions the climatic conditions during the different seasons mean that jobs in tourism are clearly restricted to certain seasonal periods. Looking only at developing countries, one might neglect differences as compared to employment effects in tourism industry in the northern countries of origin. It is quite remarkable that several studies have been undertaken to measure employment effects in destinations: but up not to evidence is lacking whether these effects are balanced between North and South

Going beyond the considerations of job creation in the formal and informal sector, one has to look at the even more serious boom of the sex industry and bonded labour, particularly as regards child prostitution, which is also growing due to increased tourism. As recent studies have shown, 15% of the prostitutes in India are under the age of 15 and 24,5% between the ages of 16 and 18. As the case of the dhaba boys illustrates, there is a close connection between poverty in rural areas, the breakdown of family relations there, migration to the cities and child labour in tourism: Juvenile males, aged between 8 and 12, who are recruited from rural areas, are working in cheap hotels and eating houses. As an ILO report states, some are "...employed in condition of great deprivation equivalent to bondage." Employment of children is not limited to low standard accommodation. On the contrary, most of it takes place in hotels of the grade II and III category, or in ungraded establishments.

### 1.3.6 TOURISM AND CULTURE-AN AMBIGUOUS RELATION

The effects of tourism on the social structure, value systems and cultural identity of the host population are most controversial in the tourism discussion. Concerning India, some negative impacts are quite obvious: At most of the Indian sacred sites leisure tourism has become a serious threat to traditional pilgrimages (Tirthayatra). People's own festivals and rituals now have been taken over and managed by tourism promotion. As the cases of Brahadeeswarar temple of Raja Chola and traditional elephant marches (Gajamela) show, the intrinsic value of cultural symbols for the community is overlooked and denigrated to the level of showpieces. First declared as World Heritage Monument by UNESCO, Tamil Nadu tourism planners decided to install a sound and light show at the temple. In places like Thrissur, local people who originally celebrated Gajameia by their own, are now forced to pay in order to catch a glance on their own feast, as the elephant march is held for a few foreign tourists exclusively in the Municipality Stadium. The shift from ritual arts to modern theatricality does not assign peoples participation in their own culture anymore.

### 1.3.7 ECOLOGICAL MIRAGES?



Tourist centres and the high number of travellers threaten the fragile ecosystems in developing countries, overusing resources such as water or energy and hardly ever employing suitable systems of waste management. Rural areas are being developed, used intensively for tourism and, finally, "worn out". During recent years efforts are being made towards a cautious tourist use of nature protection areas in Africa, Asia and Latin America, to benefit local communities.

Practical experiments in this direction testify to the difficulty of balancing ecological socio-political goals at the level of the individual protection project. Beyond the eco-labels that tour operators attach to themselves, the implementation of socially, ecologically and economically sustainable tourism schemes has only just begun. The bulk of (mass) tourism in developing countries has so far remained untouched by these efforts and the over-use of ecosystems and their resources proceeds apace

Nagarahole National Park, located between Kodagu and Mysore in the south of India, can serve as an example of possible contradictions in eco-tourism efforts. Having declared the area a national park in 1972, the government shifted the local communities of Adivasis away from their native places, as no human habitat is allowed to be situated inside the park. Despite this regulation, the government built jungle lodges inside the park area to increase wildlife tourism and leased them out to the Taj Group of Hotels which announced an eco-friendly use of the resorts. The result is that communities who had cared for the forest for hundreds of years have been displaced to open the stage for tourism supposed to generate income in order to save a fragile ecosystem which is being threatened by the tourists' habitat itself

## **2. TOURISM IN DEVELOPING COUNTRIES UNDER THE REGIME OF GATS**

### **2.1 Functioning of the GATS System**

The General Agreement on Trade in Services (GATS) is one of the three pillars of the new world trade order under the aegis of the World Trade Organization (WTO-OMC). These pillars differ considerably in their functioning and scope. While the dismantling of tariffs and non-tariff measures in the field of trade in goods is already advanced, no agreement was reached on a multilateral investment agreement (MIA). Investment-related arrangements are, however, included in GATS. The functioning of GATS is based on the interplay of fundamental principles of liberalization, procedural regulations for their implementation and specific commitments in which member states document sector-specific limitations or concessions.

GATS is intended to liberalise all internationally traded services, independently of how they are performed and where they are consumed (total coverage principle). The agreement therefore establishes four modes of supply (cross-border supply, consumption abroad, commercial presence and presence of natural persons), to which refer the principles of liberalisation of market access and national treatment.

Like binding of tariff and non-tariff barriers in GATT, the GATS signatories are binding their trade-restricting measures. For this purpose they are offering specific commitments which, for all four modes of every type of service, define the trade-related measures that either contradict the principles of free market access and national treatment or secure their respect in a certain field. Additionally, the commitments set out measures opposing the principle of the most favoured nation treatment. All trade-related regulations and laws have to be documented and any change reported to member countries.

(GATS Art. 111.1).

All measures covered by schedules of specific commitments are subject to the principle of progressive liberalisation. At the latest five years after the WTO-OMC agreement's entering into force, i.e. at the latest in the year 2000, new negotiations for the gradual dismantling of trade-restricting measures have to be called and conducted regularly (GATS Art. XIX.1).

## 2.2 Brave New World? - Foreseeable Effects Of Progressive Liberalization

Although GATS as well as other WTO-OMC-agreements include some exceptions concerning Most Favoured Nation and National Treatment, as well as market access guaranteeing a certain level of preference for developing countries, the existing outcome of liberalization in Tourism and Travel-Related Services fixed in specific commitments threatens a sustainable development, and undermines participation of people in it. The desire of GATS' member-countries "to facilitate Increasing participation of developing countries in trade in services and the expansion of their service exports including, inter alia, through the strengthening of their domestic services capacity and its efficiency and competitiveness," as mentioned in the Preamble, is a dream at best. It is rather reasonable to assume that the GATS framework in connection with countries commitments will lead to the following effects:

- (1) Providers of travel and tourism-related services (TTRS) will expand their business in destination countries and increasingly compete with local providers. If the latter do not succeed in closing the technology gap between them and the big, integrated tour operators, particularly in the field of information technology, the share of local services in this sector will continue to decline.
- (2) The reduction of the few local equity requirements will promote further concentration and integration. The anticipated growth stimulus and positive effects on foreign exchange balances will be slight and tourist numbers will grow
- (3) Treating domestic and foreign suppliers equally (national treatment) means that developing countries will lose the instruments of selective promotion of domestic industries (subsidies, tax relief) since foreign suppliers will be granted the same claim to investment incentives
- (4) Through the reduction of existing restrictions regarding cross-border payments countries will probably completely lose control over concealed profit transfers. This also drains hopes that tourism could trigger major development processes via increased tax revenues.
- (5) Commitments so far indicate that the free movement of qualified technical personnel and members of middle and top management will increase in all areas of travel and tourism-related services. This is linked with the expectation that these groups can make a crucial contribution to technology transfer in the destinations. So long as this transfer is not institutionally safeguarded by further measures there are few incentives for companies to bear the cost of it and to contribute to the formation of human capital

On December 14, 1993, the Department-Related Parliamentary Standing Committee on Commerce of the Rajya Sabha, chaired by Mr. I.K. Gujral issued its "Third Report on the Draft Dunkel proposals". The Gujral committee based its findings on oral and written evidence submitted by a cross-section of individuals and organisations, including several Ministers in the course of 24 sessions. The Committee expressed concern over the discriminatory form of liberalisation under GATS in that while capital movements would become unrestrained; labour would not:

"The Committee views with concern the unbalanced nature of GATS which, while allowing for unrestrained flow of capital-related services, said little about the labour-related services. The Committee is of the opinion that a balanced Agreement on Trade in Services is necessary

before the liberalisation of the services sector in developing countries could take place"

This estimation is supported by the fact, that European countries reached the highest level of protection concerning commercial presence and movement of natural persons in the field of tourist guides' service commitments.

#### **PRINCIPLES OF LIBERALIZATION IN GATS**

##### **Article 11.1: Most-Favoured-Nation Treatment**

With respect to any measure covered by this Agreement, each Member shall accord immediately and unconditionally to services and service suppliers of any other Member, treatment no less favourable than that it accords to like services and service suppliers of any other country.

##### **Article XVI.1: Market Access**

With respect to market access through the modes of supply identified in Article I, each Member shall accord services and service suppliers of any other Member treatment no less favourable than that provided for under the terms, limitations and conditions agreed and specified in its schedule.

##### **Article XVI.1: National Treatment**

In the sectors inscribed in its schedule, and subject to any conditions and qualifications set out therein, each Member shall accord to services and service suppliers of any other Member, in respect of all measures affecting the supply of services, treatment no less favourable than that it accords to its own like services and service suppliers

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#### 2.3 Sustainable Tourism Options In The Field Of Gats

##### 2.3.1 IMPLEMENTING REFORMED MEASUREMENT AND FLEXIBLE PROCEDURES

As long as there is uncertainty in this sector about the socioeconomic, ecological and cultural effects of progressive liberalisation, the convening of a new liberalisation round will have to be postponed. Keeping in mind the difficulties and opposition to implement reformed welfare measurement and resource assessment five years will hardly suffice to put new approaches into practice only on the basis of appropriate multidimensional evaluation instruments and a reformed environmental and natural resource accounting can we judge whether further steps towards freer trade will really lead to "sustainable growth and development for the common good" as declared in the Draft Singapore Ministerial Declaration So far this has not been shown to be the case.

##### 2.3.2 CHANGING PERSPECTIVES TOWARDS PARTICIPATION

GATS is geared exclusively towards service suppliers and national governments' The tourism industry illustrates, however, that there are population groups in the countries involved who are not themselves actors but are all the more affected by the repercussions of expanding international trade. One example is the forced relocation of local communities to allow tourism development' The interests of such communities are frequently ignored by national governments and only taken up by NGOs' As several NGOs have already been accepted as participants in negotiations in the framework of the UN-System

the WTO-OMC should establish mechanisms guaranteeing that the representatives of the interests of such communities are at least given a hearing.

Art. XIX.2 GATS concedes, that the "...process of liberalization shall take place with due respect for national policy objectives and the level of development of individual Members, both overall and in individual sectors. There shall be appropriate flexibility for individual developing countries for opening fewer sectors, liberalizing fewer types of transactions, progressively extending market access in line with their development situation" The decision, how and to which extent these concessions should be used, only belongs to national governments. As GATS itself refers to "measures of central, regional or local governments and authorities, as well as measures of non-governmental bodies in the exercise of powers delegated by central, regional or local governments or authorities" (Art 1.3), the result is quite unbalanced: On the one hand trade-related measures of all administrative levels are placed under GATS, on the other most corporate bodies have no chance to participate or rights to intervene in negotiations at all.

Therefore Art' XIX.2 should accordingly be amended to take account of the general and special needs of local communities and regions in the liberalisation process as well as the national political goals and level of development of the individual members states' Only in fulfillment of these terms the broad reach of GATS may be acceptable, if at all.

### *2.3.3 TOWARDS A NEW FAIRNESS IN COMPETITION*

Experience in the field of information technology to date gives cause for concern that extensively integrated service providers could assume a dominant market position by using information systems in an environment with a low level of technological development' It will be hard to strengthen domestic service capacities in the economically disadvantaged countries if access to technology remains only on a commercial basis' This applies all the more as the bulk of research and development in industrialised nations is done by state-run facilities and parts of the technical infrastructure of new communication systems enjoy government subsidies Under these conditions, a one-sided orientation to technology transfer on a commercial basis is like a promise

To reach or even overtake a train on a single track. Contrary to the intentions of GATS, it may be necessary from a development policy angle to, temporarily close markets in order to leave room for appropriate technological development following specific country requirements

In order to avert the possible expansion of a strategic trade policy broadening the technology gap, competition regulation must be introduced multilaterally, guaranteeing transparency of government policy on competition and industry, and allowing fairer conditions for competition between industrialised and developing countries' Originally, the principle of reciprocity demanded that the result of negotiations should be solely equivalent and balanced concessions. With the demand for an "overall balance of rights and obligations" in the GATS Preamble contracting parties pursue a strategy of "aggressive reciprocity" that is patterned on "super 301", Article 301 of the American Trade Acts. [In the past this led to arbitrary trade measures on the part of the United States. The trend towards aggressive reciprocity in the field of commitments must therefore yield to a more selective handling of trade-expansive and trade-restrictive measures.

### *2.3.4 BALANCING PRINCIPLES AND PRACTICE*

In its charter the WTO-OMC is pledged to the goal of sustainable development in harmony with growth and employment (cf. p. 14). In the ongoing negotiating process itself these goals have no



corrective function. Solely the overriding idea of progressive trade liberalisation is linked with operative procedures like Most favoured Nation and National Treatment'. Since the functioning and liberalisation thrust of the WTO-OMC are based on legal standards, new procedural standards have to be developed to guarantee that the stated goals are met.

### **3. DISREGARD FOR HUMAN RIGHTS IN TOURISM - CHALLENGES TO THE WORLD TRADE ORDER**

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#### 3.1 Ugly Backyards Of Tourism

There are various fields in tourism where disregard for fundamental human rights can be observed. It occurs

- in violation of elementary labour rights as a consequence of working conditions in travel and tourism-related industries, e.g. with respect to working hours, workplace conditions, or deprivation of employees rights;
- by leveling down of the rights of local communities to cultural self-determination in a self-chosen environment, e.g. when people are being displaced from their homes to make room for tourist development projects
- where women are being discriminated against and sexually exploited
- in child sexual exploitation, ranging from sexual harassment to forced prostitution;
- in child labour and child bonded labour in tourism, catering and entertainment industries as in related service areas

It is clear that these problems do not accompany tourism development in developing countries alone. They are also to be found in the North, albeit to a lesser extent and maybe with another focus.

#### 3.2 "Blind Dates" In Trade Regulation

The causes of human rights violations in tourism are complex and cannot generally be attributed to a single sector or to a misled trade policy. Nor can we expect to solve these problems by trade regulation alone. Under certain conditions, however, such measures may play a supportive part in the enforcement of social standards and human rights.

The topic of minimum social standards is not entirely foreign to the WTO-OMC agreement either. Taking up the Art. XX of the former General Agreement on Tariffs and Trade (GATT), GATS and WTO-OMC foresee exceptions to the principle of most favoured nation treatment (MFN) in order to protect public morality and order, and also human life and health. Beyond this, GATT Art. XX also includes the very concrete possibility of rejecting goods produced by prison labour and of protection of national treasures of artistic, historic or archeological value. Although the importance of such exceptions especially for the tourism sector is evident, trade-law practice has not been taken up this possibilities more or less passing them over in the drafting of the new world trade order. While Art. XIV GATS, like Art. XX GATT, speaks of exceptions to the principle of MFN treatment, it does not - interestingly enough - take up the concrete cases referred to in Art. XX GATT.

The "blind date" between early attempts to bind free trade to certain minimum standards and actual problems of human rights violation should lead to sound regulations guaranteeing the protection of

these rights in the sphere of trade

#### ART. XX GATT 1947: GENERAL EXCEPTIONS

Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail, or a disguised restriction on international trade, nothing in this Agreement shall be construed to prevent the adoption or enforcement by any contracting party of measures: -.

- (e) Relating to the products of prison labour;
- (f) Imposed for the protection of national treasures of artistic, historic or archaeological value;
- (g) Relating to the conservation of exhaustible natural resources if such measures are made effective in conjunction with restrictions on domestic production or consumption.

#### 3.3 Recommendations

##### **3.3.1 TAKING DIFFERENCES SERIOUSLY**

It may seem unoriginal to demand that differing positions of NGOs and Northern and Southern governments be recognized. This bears repeating, however, in view of the coverage of the WTO-OMC conference in Singapore in late 1996. Otherwise the voices of NGOs critical of social clauses will be instrumentalised by governments with little interest in improving the situation of those who have to work under inhumane conditions. Social clauses are not the one and only way to enforce minimum social standards. In the best case they support the efforts of social groups to create humane working conditions.

The different views on priorities and different approaches concerning suitable instruments to fight against child labour should be taken seriously. In current controversies about the introduction of social standards, NGOs critical of tourism are called upon to reach a consensus on the problems where the use of trade policy instruments may improve the situation for ordinary people.

##### **3.3.2 ABOLISHING CHILD PROSTITUTION AND BONDED LABOUR BY REGULATING TRADE**

To be realistic, there will probably be no consensus for a social clause covering all basic ILO standards in the foreseeable future (cf. Core ILO Conventions concerning Minimum Labour Standards, p. 12). Moreover, a broadly defined standard could place undue strain on the ability of some developing countries to observe adaptation deadlines. This is why we propose to begin by focussing demands on the narrow field in which the worst human rights violations occur and which seems best suited to gaining the critical support of sceptics. Once NGOs have reached sufficient agreement on this proposal, the first step would be to introduce a sectoral negative clause imposing suitable sanctions on child bonded labour in connection with child prostitution. Such a voluntary arrangement would initially undermine objections that the introduction of a case-specific social clause meant the leveling down of comparative cost advantages of developing countries by industrialised nations. This objection would be nonsense for the very reason that in the case of sexual exploitation of children and bonded labour, economic thought has reached its limits. To go beyond of them would mean to accept that human beings have become a tradable good. Therefore, economic theory and politics are not only challenged to recognize limits to growth, but certain limits to the application of trade theory as well. Since child prostitution in many countries is substantially stimulated by the development of tourism it would be good to extend GATS



Art. XIV along the lines of original GATT Art. XX. Yet this cannot be a matter of a product-related social clause, since there is rarely a direct connection between international tourism service suppliers and the operators of child prostitution networks. A sector-specific clause would require governments to oppose the violation of children's rights and to provide sufficient legislation and law enforcement capacities. Besides a sector-specific social clause, appropriate interlinked reporting systems should be set up both by WTO-OMC and ILO to ensure the participation of the children affected by sexual exploitation and forced labour, along with representatives of their interests and other actors. Consideration should be given to introducing country-specific adaptation deadlines as well as assistance and to the demand for customs preferences as positive incentives for change. Such a "soft" system is preferable to an automatic sanctioning procedure; it would institutionalise cooperation between ILO and WTO-OMC, also guaranteeing their independent operations. In addition, it enables country-specific support in implementing the new trade standard. Such a voluntary arrangement might be criticised for initially ignoring the broader scope of minimum social standards. Experience based on this narrower approach could thus advance the discussion of trade-relevant issues from the other areas of minimum social standards. These spread effects should be used in development policy in order to achieve a breakthrough in other areas of human rights' violation.

#### **CORE ILO CONVENTIONS CONCERNING MINIMUM LABOUR STANDARDS**

##### **No. 29 and 105: CONVENTION CONCERNING FORCED LABOUR and ABOLITION OF FORCED LABOUR**

Each Member undertakes to suppress and not to make use of any form of forced or compulsory labour and secures the immediate and complete abolition of forced or compulsory labour.

##### **No. 138: CONVENTION CONCERNING MINIMUM AGE**

Each Member for which this Convention is in force undertakes to pursue a national policy designed to ensure the effective abolition of child labour and to raise progressively the minimum age for admission to employment or work to a level consistent with the fullest physical and mental development of young persons (Art. 1)

##### **No. 111: CONVENTION CONCERNING DISCRIMINATION**

All human beings, irrespective of race, creed or sex, have the right to pursue both their material well being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity. Each Member declares to pursue a national policy designed to promote equality of opportunity and treatment in respect of employment and occupation, with a view to eliminating any discrimination, distinction, exclusion or preference made on the basis of race, colour, sex, religion, political opinion, national extraction or social origin, discrimination in respect thereof.

##### **No. 98: CONVENTION CONCERNING THE APPLICATION OF THE PRINCIPLES OF THE RIGHT TO ORGANIZE AND TO BARGAIN COLLECTIVELY**

Workers shall enjoy adequate protection against acts of anti-union discrimination in respect of their employment (Art. 1)

##### **No. 87: CONVENTION CONCERNING FREEDOM OF ASSOCIATION AND PROTECTION OF THE RIGHT TO ORGANIZE**

Workers and employers, without distinction whatsoever, shall have the right to establish and, subject only to the rules of the organization concerned, to join organizations of their own choosing without previous authorization (Art. 2)

##### **No. 100: CONVENTION CONCERNING EQUAL REMUNERATION**

... secures the principle of equal ordinary, basic or minimum wage or salary and any additional emoluments for men and women workers for work of equal value

## 4.ECOLOGICAL IMPACTS OF TOURISM AS A TRADE ISSUE

### *4.1 Shortcomings In The New World Trade Order*

Examples are legion, that environmental damage has become a tourist's companion. Tourism industry actually is in a dilemma to overuse these resources which are one of its decisive locational factors. Efforts being made to reach more sustainable appearance by ecotourism concepts are only just at the beginning and haven't left their niche existence behind. Although the WTO is committed to the goal of sustainable development and use of resources (cf. Agreement Establishing the World Trade Organization, p. 14), and GATS allows exceptions to the principle of most favoured nation treatment, the world trade order has three serious shortfalls in this field.

- Although at UN level the connection between trade and environmental damage costs have long been considered when reforming environmental and natural resource accounting, it does not play any particular role in the assessment of welfare benefits through liberalisation under guidance of the WTO-OMC and the reform of calculating a cross-sectoral tourist value added. Were it to be consistently taken into account the postivist equation of free trade with welfare benefit would no longer be tenable.
- Individual WTO agreements have so far merely considered the protection of territorial environmental goods. It is not yet clear what such protection might be like, what trade-relevant measures would cause lasting violations and how the observance of this standard could be monitored. Important extraterritorial goods, like the atmosphere and seas that are permanently damaged by high tourism flows, are left out of account.
- In the case of violation of standards, other international environmental agreements provide for trade-restrictive measures that conflict with, or are not covered by WTO agreements. Future conflicts might occur especially in relation to the Convention of International Trade in Endangered Species of Wild Fauna and Flora (CITES 1973), the Basel Convention on the Control of Trans-boundary Movements of Hazardous Wastes and Their Disposal (1969) and the Montreal Protocol on Substances that Deplete the Ozone Layer (1990/92).

#### **AGREEMENT ESTABLISHING THE WORLD TRADE ORGANIZATION**

The Parties to this Agreement

*Recognizing* that their relations in the field of trade and economic endeavour should be conducted with a view to raising standards of living, ensuring full employment and a large and steadily growing volume of real income and effective demand, and expanding the production and trade in goods and services, while allowing for the optimal use of the world's resources in accordance with the objective of sustainable development, seeking both to protect and preserve the environment and enhance the means for doing so in a manner consistent with their respective needs and concerns at different levels of economic development

*Recognizing* further that there is need for positive efforts designed to ensure that developing countries, and especially the least developed among them, secure a share in the growth in international trade commensurate with the needs of their economic development

*Being desirous* of contributing to these objectives by entering into reciprocal and mutually advantageous arrangements directed to the substantial reduction of tariffs and other barriers to trade and to the elimination of discriminatory treatment in international trade relations,

*Resolved*, therefore, to develop an integrated, more viable and durable multilateral trading system encompassing the General Agreement on Tariffs and Trade, the results of past trade liberalization efforts, and all of the results of the Uruguay Round of multilateral trade negotiations

*Determined* to preserve the basic principles and to further the objectives underlying this multilateral trading system

Agree as follows:..

The World Trade Organization (hereinafter referred to as "the WTO") is hereby established.

WTO-OMC 1994

## 4.2 The Agenda Of Sustainable Trade In Tourism Services

### 4.2.1 RECOGNISING USER'S RIGHTS

The restriction of further development of countryside for tourism may, in border line cases, violate free market access and national treatment. The authorities could allow local communities, e.g. indigenous groups, a limited exploitation for tourism and refuse it to others. In terms of trade law such exclusive (also non-tourist) usage rights ought to be considered to be not in conformity with GATS, and abolished. This conflict could be solved by reference to GATT Art. XX, which foresees the protection of national cultural goods. Any effective protection naturally requires appropriate process standards and monitoring instruments.

### 4.2.2 INDICATING ECOLOGICAL COSTS

As long as the prices of tourist services do not properly reflect environmental user and damage costs, there will be no reliable basis at all for optimism regarding the economic effects of continuing liberalisation. Establishing suitable accounting systems takes precedence over further negotiations on dismantling existing trade barriers in this sector. The Standard International Classification of Tourism (SICTA) proposed by the WTO-OMT and the UN covers the value added of almost all back- and forward linkages of the tourism industry, but not their environmental and resource use, not to mention their harmful effects. SICTA must therefore be connected with accounting and assessment schemes, as already foreseen by the UN System of Environmental and Economic Accounting (SEEA).

### 4.2.3 RECOGNISING MULTILATERAL PROTECTIVE STANDARDS

Existing international environmental standards, e.g.- the biodiversity agreement should not be undermined by the WTO agreement. The commitment of the WTO to environmental and resource protection should be supplemented by process standards with the same status as market access and

National Treatment. By analogy with Art130r (2) of the Maastricht Treaty this can happen through adding another trade standard in connection with a further exception to the MFN principle in accordance with Art. XX GATT. It should be guaranteed that these changes take effect in all three areas of negotiation (goods services, intellectual property rights).

Additionally, standards have to be developed guarding extraterritorial goods affected adversely by cross border trade. Experiences with recent conflicts between trade and environment managed by the dispute settlement mechanism show, that the implementation of trade related environmental standards may fail for that reason alone, because proof could not be furnished, that these standards will work in a non-discriminative manner To secure efficient environmental protection in the sphere of trade the burden of proof therefore has to be turned around.

**MAASTRICHT Treaty Article 130r (2)**

2. Community policy on the environment shall aim at a high level of protection taking into account the diversity of situations in the various regions of the Community. It shall be based on the precautionary principle and on the principles that preventative action should be taken, that environmental damage should as a priority be rectified at source and that the polluter should pay.

Environmental protection requirements must be integrated into the definition and implementation of other Community policies In this context, harmonization measures answering these requirements shall include, where appropriate, a safeguard clause allowing Member States to take provisional measures for non-economic environmental reasons, subject to a Community inspection procedure.

**4.2.4 WIDENING PARTICIPATION**

Environmental and resource protection particularly affects the needs, rights and interests of people in the destination areas. As called for in connection with minimum social standards, participatory structures also need to be set up in this field, guaranteeing the transfer of information and a say for these groups if their interests are directly or indirectly affected.

# Sociocultural perspectives on tourism planning and development

Jorge Cosla and Livio Ferrone

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## INTRODUCTION

This review seeks to identify key events occurring in the fields of travel and tourism and identify emerging patterns for further research. It spans a period from 1989- 1994, and covers article published in the *Annals of Tourism Research*. The review identifies four main themes and presents, in table format, the studies selected to highlight each of these themes. It is worth noting that the tables are by no means exhaustive, but they provide a thread of continuity throughout the period of the review. The themes reflect developments in : hosts' perceptions; travel and destinations; its, souvenirs and artifacts; tourism planning (see Appendix).

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## HOSTS' PERCEPTIONS

According to Dogan [1], tourism has been a major source of intercultural contact and it has influenced the socio-cultural structures of most touristic countries either positively or negatively. Hosts have reacted in different and varied ways, ranging from active resistance to complete adoption of western culture[1]. As a general conclusion, Dogan notes that "in a community previously dominated by a particular response to tourism, a diversity of responses will emerge as tourism develops, and groups with different interests and characteristic responses to tourism will be formed within the community".

Understanding residents' perceptions of tourism impacts is fundamental to tourism planning and development. A study by Ap [2] using social exchange theory sheds some light on to this subject, and suggests that when an exchange of resources (expressed in terms of power) between residents and tourism is high and balanced, or high for the host, tourism impacts are viewed positively by residents. On the other hand, when an exchange of resources is low and a balanced or unbalanced exchange occurs, the impacts are viewed negatively. Other studies on how residents perceive tourism show different dimensions (Table I). A study of social status and perception of tourism in Zambia reports differences in residents' perceptions of tourism relating to social status and social class [3]. In this particular study, the level of educational attainment and the respondent's age have been found to be the most important variables associated with the effects of tourism.

The development of tourism is regarded cautiously by developed and developing countries alike. In a study on rural residents' perceptions of tourism impacts in Colorado, Perdue *et al.* [4] found that when controlling for personal benefits from tourism development, perceptions of its impact were unrelated to socio-demographic characteristics and support for additional development was positively or negatively related to the perceived positive or negative impacts of tourism. A study by Madrigal [6] on rural residents' perceptions of community tourism development, this time based in Arizona, USA, each at different levels of tourism development, concludes that the consequences of living with tourism on a daily basis cause residents to be more acutely aware of its negative aspects than its positive aspects. Madrigal found differences between the two cities and, according to his conclusions, the balance of power measures used were significant predictors of perceptions. It is interesting to note how countries

develop and how hosts' perceptions change over time. Wilson [7] returned to the Seychelles after an absence of 17 years, during which the Islands had become an independent socialist republic, and reports how the local perceptions had changed. Previous uncertainty about tourism development had been replaced by its acceptance. The idea of political violence in the Seychelles has been replaced by the welcoming of tourists as a result of tourism being perceived as beneficial to the vast majority of the population.

Another important aspect of tourism is the way tourists perceive their hosts and their culture. Tourism is seen as a way of bringing people and cultures together, but is this always true? Evidence shows that sometimes previous ideas and stereotypes act as blinkers that prevent tourists from learning from their travels [5]. A study by Laxson [5] on US tourists visiting museums of native American culture and pueblo ceremonials in New Mexico, shows that in spite of encouraging cultural understanding, brief encounters appear to reinforce ethnocentrism and convince tourists of the correctness of their own views of the world.

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## TRAVEL AND DESTINATION

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The need to study the destination-choice process has become more important in recent years as a result of the rapid growth of both travel demand and the tourism industry (Table II). However, as research by Mansfeld [10] shows, these processes have yet to be fully explored by the social sciences, specifically psychology, geography and sociology. After reviewing the main stages of the destination-choice process, Mansfeld reports a rather weak theoretical base for this issue. According to his review, emphasis is placed, instead, on the relative contribution of each discipline to the theoretical knowledge guiding each stage. As he argues, what is important now is to establish a theoretical framework for this process so it can be applied to a rather "highly vulnerable tourist industry". He concludes that action should be taken in order to attain a better understanding of the mechanism behind the destination-choice process.

The models of tourism demand based on economic utility theory assume a two-stage decision process, with the choice of tour being independent of the prior decision as to whether to travel or not. To fill some of the existing gaps, Morley developed a model that incorporates the decision to travel or not and the time and budget allocation, as well as the choice of tour in one utility function with non-tourism goods [9]. The importance of this model is that it allows changes in incomes and in prices of non-tourism goods and services to affect tourism behaviour in ways that the standard and simpler models do not. According to Morley, previous econometric demand models considered tourists originating from a single destination. The value of these models lies in considering the tourism demand for a particular country, but from Morley's perspective; tourism flows are in actuality generated by possible tourists weighing up the attractions and costs of various destinations.

An interesting study by Crompton [11] applies the variety of choice sets used in the consumer behaviour decision process to the context of tourism. Crompton argues that recognition of the choice sets' structure has implications for those concerned with understanding tourists' behaviour and forecasting demand. He presents the model of consumer decision making for non-routinized purchases, which consists of a five-stage process: problem recognition, search, evaluation, purchase, and post-purchase evaluation. Having defined the model of decision making, key characteristics are noted, namely, an initial active search to reduce the number of alternative destinations refined to a smaller set and number of destinations that forms the basis of a consideration set. This approach, as he states, then recognizes that a second search is undertaken to select a final destination from the late consideration set. Crompton cites Le Blanc in support of expanding the five-stage model to a six-stage model, so as to accommodate the notion of choice sets. The sets are then described and operationally defined. Crompton also discusses



the implications of using the choice structure taxonomy as an analytical tool for destinations so as to ascertain their relative strengths and weaknesses at different transition points in a prospective visitors' selection process.

Put important segment within the travel market is the retirees' segment. Research shows that travel is a desired activity among retirees [12]. In his study concerning travel and retirement status, Blazey [12] states that investigation of the relationship between retirement and older adult travel activity has been limited by basing retirement status on attaining the age of 65. According to Blazey, this is an outdated criterion given recent social, political, and economic changes. In concluding he notes that travel becomes neither more nor less frequent after retirement and interest appears constant. In those situations where differences in travel activity occur, the underlying causes may be the level of involvement of the workforce. A fundamental aspect of travel and destinations is the traffic impact of proposed tourism facilities. Wie and Choy [13] developed a mathematical modeling framework for analysing this. An important outcome of their study is the quantification of traffic impacts in terms of the increase in travel time/cost resulting from the development of new tourism facilities. According to Wie and Choy [13], standard approaches to estimating tourism costs and benefits do not usually account for the impact of additional traffic except in terms of required infrastructure. Wie and Choy's model can be used to bypass this limitation, and to help policy makers decide on transportation system alternatives and/or imposing additional impact fees on tourism developers.

A largely neglected aspect of travel and tourism is the situation of non-travelers, or people who do not take holiday trips [8]. According to Haukeland [8], this is still a high percentage of the world population and special attention is needed to identify the causes of this behaviour. As Haukeland states, two fundamental perspectives underlie this discussion: if living conditions are so problematic that they limit the opportunities for vacationing, there is a causal relationship between social factors and a lack of holiday trips. On the other hand, there may be a normative link between social welfare and holiday travel. In this socio-political context, vacationing is considered like any other social right. A final issue is that of the comparability of travel and destinations research findings. Driscoll *et al.* [14] question the comparability of research findings utilizing different data collection forms, conclude by indicating the need for more fundamental work on validity and measurement in tourism research. They also suggest the need for further research in this area, as marketing strategy formulation needs to be based on a solid understanding of tourists and the way in which they go about collecting, processing and utilizing vacation destination information.

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## ARTS, SOUVENIRS AND ARTIFACTS

Souvenirs perceived as authentic reminders of a particular place are powerful signifiers of ideological meanings [15]. In a study of the souvenirs in Israel, Shenhav-Keller [14] analyses production, authentication, display and sale, as well as the ideology of the selling agent. Some interesting issues are presented here, such as the impact of the political situation in the context of Israeli handicrafts (Table III). The study focuses attention on the Israel Center for Handicrafts (Maskit), which is an important place for presenting the privileged meanings, content and symbols of Israel and Judaism, as well as for emphasizing Jewish roots and historical continuity. From Shenhav-Keller's perspective, Maskit is a "lens" because it filters the perception of Israeli society through its souvenirs, their presentation and display, by selectively emphasizing certain motifs while ignoring others. On the other hand, Maskit is also a microcosm of its society, subject to the influence of political and social realities. In fact, the souvenirs can be seen as reflecting social processes, interests and power relations. To conclude, Shenhav-Keller [15] states that the souvenir is important, not only as a cultural artifact, but also as an analytic tool for understanding complex social processes. Using a souvenir in this way helps explicate why objects that

are perceived as authentic reminders of a particular place or country are especially powerful signifiers of the ideological meanings of that country.

A different dimension that affects the development of souvenirs or tourist art in developing countries is the role of outside cultures. According to Horner [6], the decades between the world wars constitute a critical period for the history of West African tourist art. During the colonial domination, various demands were made of African artists, and objects from different parts of the world were used by colonists to influence public opinion. As an example, Horner [16] refers to the use of weapons (symbols of savagism) displayed at international expositions to reinforce imperialist justification during the periods of domination. After the colonists had become well entrenched, they stopped displaying the weapons and focused on cloth, mats, pottery, and other indications of a "commendable propensity for craftsmanship", which meant that they were ready for economic development.

While these problems were solved during the final stage of colonial rule, by the creation of international organizations to regulate international relations, other problems arose, such as the issue of intellectual property of "native type" souvenirs produced [17]. In an interesting study Blundell [17] analyses the issues being raised in Canada regarding inexpensive mass-produced souvenirs that depict aboriginal peoples, and the claims that "native type" souvenirs currently available in Canada violate consumer and intellectual property laws. According to Blundell, souvenirs that depict non-aboriginal Canadians are rare indeed, as are inexpensive, native-made items that have explicit political intents. The reality is that aboriginal cultural forms are commoditized by non-native producers in a variety of ways. These practices are now widely contested, with the aboriginal peoples disputing the right of non-aboriginal entrepreneurs to appropriate native forms for their own economic and symbolic ends. As Blundell [17] states, critics call for greater enforcement of both federal and provincial consumer legislation, and some also advocate the increased use of intellectual property laws.

A different reality occurs in the production of Tibetan tourist thangkas [19]. According to Bendor [19], one characteristic of the tourist thangka market that sets it apart from other more typical tourist art markets is the existence of an "intermediate audience", consisting of non-Tibetan Asian Buddhists as well as other non-Tibetan followers of Tibetan Buddhism. The concern of this group with the authenticity of these products helps to promote some degree of adherence to traditional standards. In fact, consumers more familiar with Tibetan cultural and religious traditions tend to acquire thangkas more similar to those produced for the internal audience. As Bendor [19] concludes, this "intermediate audience" also helps in educating others about Tibetan thangkas. Handicrafts can also play an important role in the development of tourism, as is the case of Xinjiang, in China. According to Toops [18], the crafts industry in Xinjiang has undergone a rebirth during the post-Mao era. Governmental policy, while focusing on the economic aspect in handicraft production, has also addressed the cultural needs of the local people. As Toops stresses, the government's commitment to further production of ethnically distinctive articles derives from policies of development and ethnicity. The reality is that tourism has opened up new markets for the handicrafts industry. A duality in crafts production and in the crafts market has been created through tourism requirements.

In fact, souvenirs and handicrafts not only represent significant craft but sometimes they can also be transformed into highly diversified tourist art. A good example to illustrate the process of transformation of a simple craft to a highly diversified tourist art is that of the pottery production of Dan Kwien in Thailand [20]. This phenomenon is a result of the influence on the locality of outsiders, who act as the principal initiators of innovation and diversification. As Cohen [20] discovered, while production for the traditional internal market was not discontinued, new types and styles of products were introduced, as innovators competed to secure external audience. As a consequence of this, local pottery production moved away from orthogenetic to more heterogenetic products. These developments also raise questions of authenticity, but in order to survive and remain viable, tourist arts

have to introduce changes into materials, sizes, forms, colourations, functions, and production techniques.

The question of authenticity is in fact one of the main concerns of governments and organizations responsible for tourist arts. According to Littrell *et al.* [21], it is important to elaborate and refine the definition of souvenir authenticity. In their study of the concept of authenticity in craft souvenirs, they found that the criteria used by US tourists to define authenticity include a craft's uniqueness, workmanship, aesthetics and use, cultural and historical integrity, and genuineness. The characteristics of the craftsman as well as the shopping experience also contributed to authenticity. Interesting to note is the fact that definitions of authenticity varied with tourists' ages, stage of travel careers, and tourism styles, but not with tourists' gender. These findings highlight the importance and usefulness of a clear definition of authenticity of tourist arts, which will help preserve the integrity and originality of the products.

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## TOURISM PLANNING

Tourism is an important means of regional development, despite the chance of possible long-term ecological degradation as in the case of Poland [22]. Tourism in Poland has become a development factor for one-third of all administrative regions. As stated by Kruczala, even though Polish regional policy of the post-war years, dominated by industrialization concepts, was not interested in tourism, this has been recognized since the 1960s [22]. According to Kruczala's study, the main instruments of regional policy are the national spatial plan and the five-year national socioeconomic plan, both with "tourism segments". Tourism is now concentrated in 16 administrative regions, all of which are attractive destinations. Interesting to note is the positive effects of regional policy on the development of these tourist administrative regions. These are:

- the concentration of tourist facilities (in conformity with the distribution of more valuable tourist areas);
- the development of transport infrastructure (making these regions more accessible in national scale); and
- the delimitation of areas with precious tourist values (natural and historical) for strict protection.

Bulgaria presents a completely different reality from that of Poland. In the last 30 years Bulgaria has become the most popular eastern bloc holiday destination for tourists from western Europe (Table IV). According to Pearlman [23], the principle of Bulgaria's tourism policy is that tourism development and social development should not be separated. As Pearlman states, the main task tourism is not a commercial one, but to satisfy the recreational needs of the Bulgarian people. An interesting aspect is the fact that the economic necessity for tourism has declined in recent years because of a falling national debt and a strong export base in the manufacturing sector. However, according to Pearlman's [23] study, government and tourism officials are keen to maintain and increase the share of international tourists from the West.

In order to achieve this goal, some of the existing problems have to be solved. These problems occur both at the macro and micro level. At the macro level, tourism is an important generator of foreign exchange, but it also assists in financing the development of social tourism at home. As Pearlman [23] expresses it, resource conflicts arise because of the ideological commitment to social tourism and the

necessity to spread and develop the international tourist base inland. At the micro level, tourism operations are severely constrained by the inflexibilities of the centralized system. Pearlman [23] concludes that limited reforms have decentralized decision-making powers, but much more radical reform is required if Bulgaria is to compete in the international tourism market.

Romania, another member of the former eastern bloc, has invested heavily in *tourism*. However, the spatial distribution has been highly unbalanced with particular emphasis on the Black Sea coast [24]. Other areas, which have received priority, are the capital city and the historic towers. As shown by Turnock's [24] study, the rural areas have potential and are in great need of non-agricultural employment at a time of rapid farm mechanization. The reality is that development has to be selective, and many tourist developments are related to investment in other sectors of the economy, such as electricity and wood processing, reflecting priorities in these other industries.

As these studies highlight, countries are in different stages of tourism planning and development re evident. In this context, the concept of destination life cycle assumes an important role. As shown by the study of Getz on the development of the Niagara Falls, this resort has evolved into permanent state of maturity in which aspects of consolidation, stagnation, decline, and rejuvenation are interwoven and constant [26]. From Getz's viewpoint, "capacity" is a management concept, not an absolute limit, and rejuvenation is a planning initiative, it is apparent from the study that capacity-related limits to growth, types of development, or rate of change can apply at any stage of development. As he states, most of them are essentially political issues, and, hence, resolvable through policy and planning. Getz [26] concludes that the destination can adapt and flourish regardless of perceived problems, even if selected limits on development become desirable.

In a later study, Getz [27] reports on the contrasting planning systems in Niagara Falls, one regulatory (Canadian side) and the other proactive (US side), and how they have resulted in markedly different tourism developments. In fact, despite similar histories and the sharing of a common natural tourist attraction, New York State and the province of Ontario, the two areas of Niagara Falls, have diverged in key ways in respect to tourism development and planning [26]. Even though the New York side is more dependent on manufacturing, the state was the first to introduce a park system to protect the Falls. On the Canadian side, tourism rapidly became the dominant economic force, resulting in high levels of commercialization prior to 1887 when the provincial government established a major park system [26]. Having the advantage of better viewpoints and more attractive parks, Ontario's Niagara Falls has until recently not felt the need to plan for tourism. As a result, it is now faced with declining competitiveness even in the midst of continuing growth. A different situation prevails on the New York side of Niagara Falls. The public authorities have invested heavily in tourism since the 1970s as a tool to combat economic decline and depopulation. Now the reality in the 1990s is that both areas are facing major planning and marketing challenges, but the uncertainty on what needs to be done is especially felt among Canadians.

It is apparent that successful tourism planning requires the involvement and participation of the residents of the destination areas [25]. To participate in a meaningful way in the early stages of the planning process certain types of information should be available to residents. A study by Keogh [25] suggests that more information should be provided on the expected impact of the project on local taxes and on other community projects. As he states, it is important that the development of tourism is not wrongly blamed for inadequacies in other aspects of community life. This information can be provided in the form of a newsletter or brochure to be distributed to all residents.

A final aspect related to tourism planning worth mentioning is that of mega-event production. A study by Roche [28] reports on the influence of planning, political, and urban contextual processes and factors on mega-event production, and presents a discussion of comparative event research and a related case



study. Roche's research indicates the important influence of contextual societal change, urban leadership, and non-rational planning in event production processes. According to Roche[2 81, these factors are important for understanding both event causation and also the potentially rational character of event policy making.

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## CONCLUSION

Commenting on the themes emerging from this review, it is possible to identify a number of implications:

- The way hosts perceive tourists is highly influenced by their socio-cultural background as well as by the level of change effected by tourism. This aspect is crucial for tourism planning and development as residents' perceptions of the impacts of tourism may impact positively or negatively on new projects. However, as research shows, the consequences of living with tourism on a daily basis causes residents to be more acutely aware of its negative aspects.
- Choosing the travel destination is an important decision for the tourist, and knowledge of the process involved is a fundamental concern for the tourism industry. In order to stay competitive in the fast-growing tourism industry organizations have to gain a better understanding of the mechanisms behind the destination-choice process. This is true for any tourism segment but especially among those with high potential for travelling, as is the case with the retirees' segment.
- Souvenirs can be used as reminders of particular places, as symbols of certain cultures and/or religions, and also as a reflex of social processes, interests and power relations. In certain societies the souvenir is important, not only as a cultural artifact, but also as an analytic tool for understanding complex social processes. Handicrafts can also play an important role in the development of tourism by creating new markets. Sometimes the development of souvenirs or tourist art is affected by outside cultures and/or problems of intellectual property. These cultures need to be protected against negative influences and tougher intellectual property laws should be developed and reinforced,
- Despite the chances of possible long-term ecological degradation, tourism is an important means of regional development. For a balanced development, tourism has to be adequately planned, taking into account the existing resources. Some countries already plan for sustainable tourism, while others, as a result of former political regimes or lack of resources, are now trying to redirect their efforts towards more environmentally conscious projects. In fact, the capacity of a particular place or resort may be, above all, a management concept and not an absolute limit. In this case, rejuvenation may be a planning initiative.
- An important variable in tourism planning is the residents' perceptions of new developments. For tourism planning to succeed, the involvement and participation of the residents of the destination areas is needed. In this way, planners are more likely to obtain support from the community, a vital ingredient in the success of any new project.

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